97-84205-15

U.S. Dept. of State

Staff memorandum
Background information...

Washington

1950

97-84205-15
MASTER NEGATIVE #

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD

```
  OCLC:  37516099            Rec stat:    n
  Entered:    19970822       Replaced:    19970822      Used:    19970822
- Type:  a     ELvl:  K     Srce:  d     Audn:        Ctrl:        Lang:  eng
  BLvl:  m     Form:  a     Conf:  0     Biog:        MRec:        Ctry:  dcu
               Cont:        GPub:  f     Fict:  0     Indx:  0
  Desc:  a     Ills:  c     Fest:  0     DtSt:  s     Dates: 1950,     ↔
- 1  040    PR1 ▾c PR1 ↔
- 2  007    h ▾b d ▾d a ▾e f ▾f a--- ▾g b ▾h a ▾i c ▾j p ↔
- 3  007    h ▾b d ▾d a ▾e f ▾f a--- ▾g b ▾h a ▾i a ▾j p ↔
- 4  007    h ▾b d ▾d a ▾e f ▾f a--- ▾g b ▾h a ▾i b ▾j p ↔
- 5  049    PR1A ↔
- 6  110 1  United States. ▾b Dept. of State. ▾b Committee on Foreign
Affairs. ↔
- 7  245 10 Staff memorandum Background information on the Inter-American
highway ▾h [microform] : ▾b (in connection with H.R. 7890) : August 1, 1950 /
▾c Committee on Foreign Affairs. ↔
- 8  246 30 Background information on the Inter-American highway ↔
- 9  260    Washington : ▾b U.S. G.P.O., ▾c 1950. ↔
- 10 300    iv, 40 p., [2] leaves of folded plates : ▾b maps ; ▾c 23 cm. ↔
- 11 500    "Subcommittee print." ↔
```

RESTRICTIONS ON USE: *Reproductions may not be made without permission from Columbia University Libraries.*

TECHNICAL MICROFORM DATA

FILM SIZE: 35mm **REDUCTION RATIO:** 10:1 **IMAGE PLACEMENT:** IA (IIA) IB IIB

DATE FILMED: 10-2-97 **INITIALS:** JP

TRACKING # : 27977

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

BIBLIOGRAPHIC IRREGULARITIES

MAIN ENTRY: U.S. Dept. of State

Staff memorandum Background information on the Inter-American highway

Bibliographic Irregularities in the Original Document:

List all volumes and pages affected; include name of institution if filming borrowed text.

____ Page(s) missing/not available: _____

____ Volume(s) missing/not available: _____

____ Illegible and/or damaged page(s): _____

_____

____ Page(s) or volume(s) misnumbered: _____

____ Bound out of sequence: _____

____ Page(s) or volume(s) filmed from copy borrowed from: _____

_____

X ____ Other: (1) unnumbered foldout between p. IV and page 1; (1) unnumbered foldout follows page 40

_____

____ Inserted material: _____

TRACKING#: MSH27977

COLUMBIA UNIVERSITY
LIBRARIES
SEP 2 1952

[SUBCOMMITTEE PRINT]

COMMITTEE ON FOREIGN AFFAIRS

STAFF MEMORANDUM

BACKGROUND INFORMATION
ON THE
INTER-AMERICAN HIGHWAY

(In connection with H. R. 7890)

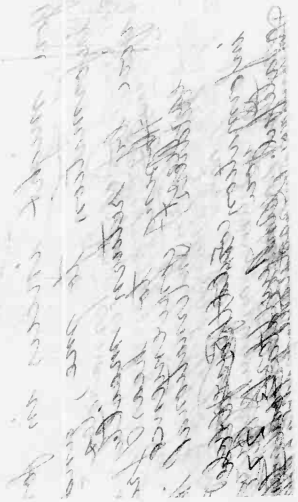
AUGUST 1, 1950

308
Z
B3ox814

Printed for the use of the Committee on Foreign Affairs

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1950

70606



CONTENTS

	Page
Map: Present condition of the Inter-American Highway—Facing	IV
The pioneer road and its relation to the Inter-American Highway	1
A. Two different projects	1
B. Pioneer road evaluation	1
C. Expenditures on pioneer road did not reduce cost of Inter-American Highway	2
Inadequacy of existing appropriations	2
Required cooperation under H. R. 7890 (81st Cong.) from local governments	3
Explanation for Costa Rican inability to contribute full one-third of costs of Inter-American Highway through Costa Rica	3
Reasons originally given to support highway bill, Secretary of State to President Roosevelt, April 28, 1941	4
A. The value of the highway	4
1. Improved transportation, within and between the several countries and the United States	4
2. Development of new lands and new natural resources, and increased consumption of American imports	4
3. Increased employment and maintenance of economic structures	4
4. Increased tourist traffic	5
5. Increased market for American automobiles, parts, garage equipment, etc	5
6. Defense value	5
7. Almost entire appropriation to be spent in the United States	5
Adequacy of original cost estimates	5
Standards of construction	6
Uninterrupted progress in work on Guatemalan section of highway	6
Gaps in the Inter-American Highway	7
Guatemala	7
Costa Rica	7
Costa Rica-Panama	7
Panama	8
Congressional appropriations for the Pan American Highway	8
Statement by Hon. Lloyd M. Bentsen, Jr., June 12, 1950	9
Statement by Hon. Edward G. Miller, Jr., Assistant Secretary of State for Inter-American Affairs, May 25, 1950	12
Excerpt from report on special mission to Costa Rica (by Hon. Laurie C. Battle and Hon. Donald L. Jackson)	13
Text of agreements	19
A. Panama	19
B. Nicaragua	24
C. Costa Rica	27
D. Honduras	28
E. El Salvador	30
F. Guatemala	32
History of the Pan American Highway	34
A. 1889, original suggestion for a railroad	34
B. 1923, first official suggestion for a highway	34
C. 1925, Pan American Congress of Highways became a permanent institution	35
D. 1928, first direct action looking toward construction of the Pan American Highway	35

History of the Pan American Highway—Continued
E. 1929, Congress authorized funds for a survey of the proposed route ... Page 35
F. 1929, general plan for proceeding with construction of the Pan American Highway ... 35
G. 1929, plans for the Inter-American Highway considered separately ... 36
H. 1930–33, reconnaissance survey in Central America by the United States Bureau of Public Roads ... 36
I. 1934, the Congress appropriated funds for construction on the Inter-American Highway ... 37
J. 1936, first section of the Inter-American Highway opened ... 37
K. 1936–37, formal ratification of the Pan American Highway convention ... 37
L. 1939, completion of Pan American Highway urged ... 37
M. 1941, Congress authorized $20,000,000 for construction on the Inter-American Highway ... 38
N. 1942–43, work of the United States Army engineers ... 38
O. 1943, $12,000,000 appropriated for special work in Costa Rica ... 38
P. 1950, Inter-American Highway, opened to Guatemala ... 39

Table
I. Summary of mileage of the Pan American Highway as of May 20, 1950 ... 39
II. Appropriations for the Inter-American Highway as of May 20, 1950 ... 39
III. Estimated expenditures of United States funds appropriated to the Bureau of Public Roads or to the State Department for construction of the Inter-American Highway ... 39
IV. Estimated expenditures of the Central American Republics on the Inter-American Highway ... 40
V. Condition of Inter-American Highway ... 40
Map—Principal routes of the Pan American Highway system ... Facing 40

History of the Pan American Highway—Continued Page
E 1929, Congress authorized funds for a survey of the proposed route 35
F 1929, general plan for proceeding with construction of the Pan American Highway 35
G 1929, plans for the Inter-American Highway considered separately 36
H 1930–33, reconnaissance survey in Central America by the United States Bureau of Public Roads 36
I 1934, the Congress appropriated funds for construction on the Inter-American Highway 37
J 1936, first section of the Inter-American Highway opened 37
K 1936–37, formal ratification of the Pan American Highway convention 37
L 1939, completion of Pan American Highway urged 37
M 1941, Congress authorized $20,000,000 for construction on the Inter-American Highway 37
N 1942–43, work of the United States Army engineers 38
O 1943, $12,000,000 appropriated for special work in Costa Rica 38
P 1950, Inter-American Highway, opened to Guatemala 38

Table
I. Summary of mileage of the Pan American Highway as of May 20, 1950 39
II. Appropriations for the Inter-American Highway as of May 20, 1950 39
III. Estimated expenditures of United States funds appropriated to the Bureau of Public Roads or to the State Department for construction of the Inter-American Highway 39
IV. Estimated expenditures of the Central American Republics on the Inter-American Highway 40
V. Condition of Inter-American Highway 40
Map—Principal routes of the Pan American Highway system Facing 40

CONDITION AND LENGTH OF THE INTER-AMERICAN HIGHWAY
AS OF MARCH 1950

	Condition	Length Kms.	Length Miles
MEXICO			
Laredo Texas-Monterrey	Paved	235	146
Monterrey-Ciudad Victoria	Paved	286	178
Ciudad Victoria-Mexico City	Paved	709	440
Mexico City-Puebla	Paved	134	84
Puebla-Atlixco	Paved	32	19
Atlixco-Oaxaca	Paved	380	237
Oaxaca-Juchitan	Paved	286	177
Juchitan-Tuxtla Gutierrez	Paved	254	158
Tuxtla Gutierrez-Chiapa de Corso	Paved	17	11
Chiapa de Corso-San Cristobal	All Weather	74	46
San Cristobal-Guatemala Border	All Weather	197	122
TOTAL MEXICO		2604	1618
GUATEMALA			
Mexican Border-Km. 40	Impassable	40	25
Km. 40-San Cristobal	All Weather	123	76
Branch Road, Quesaltenango San Cristobal-Totonicapan	Paved	27	17
San Cristobal Sta. Maria Cauque	All Weather	153	95
Sta. Maria Cauque-Guatemala City	Paved	28	10
Guatemala City-Km. 22	Paved	22	14
Km. 22-Asumcion Mita	All Weather	125	77
Asumcion Mita-Km. 10	Paved	10	6
Km. 10-El Salvador Border	All Weather	10	6
TOTAL GUATEMALA		538	334
EL SALVADOR			
Guatemala Border-San Salvador	Paved	97	61
San Salvador-Sirama T	Paved	176	109
Sirama T - Honduras Border	All Weather	34	21
Branch Road Sirama T-La Union	All Weather	7	4
TOTAL EL SALVADOR		314	195

	Condition	Length Kms.	Length Miles
Honduras			
El Salvador Border-San Lorenzo	All Weather	53	33
San Lorenzo-Nicaragua Border	All Weather	98	61
TOTAL HONDURAS		151	94
NICARAGUA			
Honduras Border-Sebaco	All Weather	138	86
Branch Road			
Sebaco-Matagalpa	Paved	20	12
Sebaco-Matagalpa	All Weather	5	3
Sebaco-Managua	Paved	98	61
Managua-Jinotepe	Paved	45	28
Jinotepe-Costa Rica Border	All Weather	102	63
Total NICARAGUA		408	253
COSTA RICA			
Nicaragua Border-Bagaces	Impassable	104	65
Bagaces-Lagartos River	Dry Weather	68	42
Lagartos River-San Ramon	All Weather	66	41
San Ramon-San Jose	Paved	75	47
San Jose-Cartago	Paved	22	13
Cartago-San Isidro	All Weather	114	71
San Isidro-Panama Border	Impassable	215	134
TOTAL COSTA RICA		664	413
PANAMA			
Costa Rica Border-Concepcion	Impassable	24	15
Concepcion-David	All Weather	23	14
David-Santiago	All Weather	212	132
Santiago-Panama City	Paved	250	155
TOTAL PANAMA		509	316
GRAND TOTAL		5188	3223

PRESENT CONDITION OF THE INTER-AMERICAN HIGHWAY

A PART OF THE PAN-AMERICAN HIGHWAY SYSTEM

PREPARED BY
DEPARTMENT OF COMMERCE
BUREAU OF PUBLIC ROADS
MARCH 1950

LEGEND

PAVED ROAD — ALL WEATHER
DRY WEATHER — IMPASSABLE

SCALE
MILES 100 50 0 100 200 300
KILOMETERS 100 0 100 200 300 400

70606 O - 50

STAFF MEMORANDUM

COMMITTEE ON FOREIGN AFFAIRS,
August 1, 1950.

To: Hon. Mike Mansfield, chairman of the Special Subcommittee on Construction of Inter-American Highway (H. R. 7890).
From: Sheldon Z. Kaplan and George Lee Millikan, staff consultants.
Subject: Background information on the Inter-American Highway.

There follow memoranda, excerpt from statements, texts of agreements, and other data relating to the Inter-American Highway, which your subcommittee (consisting of yourself, as chairman, and Messrs. Gordon, Carnahan, Burleson, Chiperfield, Smith, and Jackson) may wish to use in connection with its consideration of H. R. 7890.

THE PIONEER ROAD AND ITS RELATION TO THE INTER-AMERICAN HIGHWAY

A. TWO DIFFERENT PROJECTS

The German submarine campaign in the Caribbean was so successful in 1942 that it endangered United States communications with the Panama Canal, which, lacking overland communications, was like an island, reachable only by sea or air. The Army decided that it was essential to have a through road, from the end of the railway at the Mexican Guatemalan border to the Canal Zone. This road, called the Pioneer Road, was thus an emergency, wartime project. It should not be confused with the Inter-American Highway, which is a permanent project originally planned long before the war.

The Pioneer Road was wartime construction, built in great haste and to lower standards, and often over a different route from that of the Inter-American Highway.

For instance, construction went forward at full pace through the rainy seasons in contrast to the normal custom in tropical countries of decreasing activity during these periods. Costs were thereby materially increased. The Pioneer Road project was abandoned in 1943 when the submarine danger was no longer a serious threat in the Caribbean and Atlantic area.

B. PIONEER ROAD EVALUATION

According to Army Department figures, approximately $44,250,000 was spent on the Pioneer Road. The Bureau of Public Roads has estimated that only 200 miles of the work done on the Pioneer Road will furnish salvageable portions, ranging from2 5 to 90 percent, usable for purposes of the 1,573-mile Inter-American Highway. The Pioneer Road was narrow, its curves were often sharp, and its grades were sometimes very steep. Its bridges were built of wood and most of them have already collapsed.

C. EXPENDITURES ON PIONEER ROAD DID NOT REDUCE COST OF INTER-AMERICAN HIGHWAY

Two reasons are advanced why the Army's expenditures on its project did not reduce the cost of the Inter-American Highway:

(1) The Army undertook to build this road to pioneer standards. In some places it followed the route of the Inter-American Highway. But in many others it did not; and in these cases the work done had no value to the permanent Inter-American Highway.

(2) Large amounts were spent by the Army for preliminary work—

(*a*) In recruiting men—mechanics, truck drivers, tractor operators, accountants, etc., in the United States, and in transporting them to the job. These men were returned to the United States, and only where their operations were along the line of the Inter-American Highway, is it of any value to that project.

(*b*) In building camps for these men to live in, far beyond the needs of the Inter-American project.

(*c*) In building up supplies of food, stores, rented road-building equipment, etc. The former have been consumed; the latter either have been sold or returned to the United States.

(*d*) In constructing access roads, which are of value today only when they connect with the permanent highway route, and only if they have been maintained and are usable under present construction plans.

INADEQUACY OF EXISTING APPROPRIATIONS

The Congress has been informed that additional appropriations would be necessary. On September 11, 1943, the Secretary of State [Mr. Hull] addressed identical letters to the chairmen of the House Foreign Affairs and Senate Foreign Relations Committees, the final two paragraphs of which read as follows:

> It is the expressed policy of the President and of the Congress that adequate through highway facilities in Central America be completed. This policy has been the basis for legislation enacted by the Congress and for negotiations with the American republics concerned. The War Department is pressing the construction of the pioneer highway as a war measure. Over the most difficult section of the route, between Cartago and San Isidro, it was agreed by the War Department and the Public Roads Administration that it would be advisable to construct the permanent highway at once, without building a pioneer highway. Therefore neither the pioneer nor the permanent highway projects could have been finished unless the Public Roads Administration had adequate funds to complete this vital section identical in both. Speed was essential. It was this Department's view that Costa Rica could not be expected to extend more cooperative funds than it had already agreed to provide toward the construction of this highway, which meant that this Government would have to assume the necessary extra costs in Costa Rica if it desired the highway to be completed. In view of these considerations, this Department favored the granting of the appropriation recently voted by Congress.
>
> While this Department is obviously not competent to express an expert opinion regarding standards of construction and the probable cost of the survey and construction work on the highway, it expects to support such further appropriations as appear to it to be required for the completion of the Inter-American Highway. It will be noted that even with the recently appropriated funds, available money will fall over $6,000,000 short of meeting the revised estimates, in as much as a total of but $42,000,000 is now available ($20,000,000 United States funds under Public 375; $12,000,000 United States funds under the Second Urgent Deficiency Act of July 12, 1943; and $10,000,000 cooperative funds to be provided by the Central American Republics and Panama in accordance with Public 375) as against revised estimates of $48,117,311. The Department and the Public Roads Administration are both anxious that this highway shall be completed in the most economical manner consonant with adequate construction standards, and are striving to keep construction costs as low as possible. In view, however, of the uncertainties surrounding construction costs in future years, it is clearly not possible to determine with accuracy at the present time exactly what this highway project will cost. It is on this account that the Department has felt it advisable at this time to place the full facts now available at the disposal of the congressional committees which approved the original legislation, for such consideration as they may merit.

REQUIRED COOPERATION UNDER H. R. 7890 (81ST CONG.) FROM LOCAL GOVERNMENTS

The Department of State has recently received assurances from the countries concerned that (1) they would provide the necessary right-of-way; (2) they would contribute financially to the extent of their ability; (3) they would maintain the road when finished; and (4) they would not levy discriminatory charges for use of the road.

Unfortunately, these recent assurances do not indicate that the respective countries will countribute one-third of the cost, as required by the existing law (Public Law 375, approved December 26, 1941).

Pursuant to the existing law, executive agreements were negotiated in 1942 with each of the six countries. These agreements, as specified in the law, require that the other countries contribute one-third of the cost. However, it was soon found that the cost, especially in Costa Rica, would be much more than originally contemplated. Consequently, the Bureau of Public Roads obtained a deficiency appropriation of $12,000,000 in 1943 (Public Law 140, approved July 12, 1943), which it was authorized to spend in Costa Rica without requiring any matching funds.

If the proposed law is enacted, it will be necessary for the United States to negotiate further agreements with each of the six countries. The Department proposes that these agreements will include specific commitments from each country, covering the assurances mentioned above as well as any provisions that may be required by the new law.

The proposed law asks authority to expend, if necessary, up to $24,000,000 in 8 years, without the necessity of a one-third contribution. It asks authority to expend $40,000,000 on the two-thirds–one-third cooperative basis. If the one-third contribution is possible from all countries, it would authorize the expenditure of the entire $64,000,000 on the two-thirds–one-third cooperative basis.

Because of the long and difficult stretch of road to be built in Costa Rica, and because of Costa Rica's long-standing precarious financial position, it will be impossible for Costa Rica to make a full one-third contribution unless she is given a loan of some eight or ten million dollars for that purpose—which does not seem likely at present. The proposed alternative is that, if necessary, $24,000,000 be spent in Costa Rica without matching.

EXPLANATION FOR COSTA RICAN INABILITY TO CONTRIBUTE FULL ONE-THIRD OF COSTS OF INTER-AMERICAN HIGHWAY THROUGH COSTA RICA

More than one-fourth (413 miles) of the total mileage (1,573 miles) of the Inter-American Highway is in Costa Rica. Of the total mileage that is now impassable (239 miles), 199 miles are in Costa Rica.

An additional section of 42 miles in Costa Rica is passable only in dry weather. Furthermore, a large portion of the road yet to be built in Costa Rica is over some of the most difficult terrain on this continent, involving a series of high, razor-back mountain ridges.

The Bureau of Public Roads currently estimates that the total additional cost of completing the Inter-American Highway is $83,500,000. Of this total, $27,500,000 is to be spent on the road in Costa Rica. Costa Rica, a nation of only 800,000 people, is manifestly unable to contribute one-third ($9,000,000) of this cost, an amount equal to almost one-half of the total annual revenues of the Costa Rican Government. In addition, all costs for rights-of-way are borne by Costa Rica.

The total ordinary revenues of the Government for 1949, as tentatively reported by the Costa Rican Government, amounted to $19,670,000; and the year ended with a deficit of approximately $1,500,000. The Government's accumulated deficit for the past 10 years totals approximately $22,000,000. Costa Rica's total domestic and foreign debt increased from approximately $22,500,000 on December 31, 1939, to approximately $75,000,000 on December 31, 1949. Its current foreign and internal debts amount to approximately $28,000,000 and $47,000,000, respectively. Excepting its loan from the Export-Import Bank (current balance $6,500,000), Costa Rica's foreign debt has been in default for many years. However, the present Government of Costa Rica has put into effect stringent financial controls along lines recommended by the International Monetary Fund and is making vigorous efforts to repair its financial house in order that service may be resumed on its foreign obligations.

REASONS ORIGINALLY GIVEN TO SUPPORT HIGHWAY BILL, SECRETARY OF STATE TO PRESIDENT ROOSEVELT, APRIL 28, 1941

A. THE VALUE OF THE HIGHWAY

In submitting the highway bill for President Roosevelt's approval on April 28, 1941, Secretary Hull stated in part:

There are given below the principal reasons why it is considered desirable for the United States to make a direct contribution in the completion of the Inter-American Highway:

1. Improved transportation, within and between the several countries and the United States

This will increase commerce between the various countries—for example, by providing a means of transportation of Costa Rican fruits, vegetables, and coffee to Panama. Practically every year there is a shortage of some staple crop, such as corn, rice, or beans, in at least one of the countries of Central America. An Inter-American highway would provide a cheap and efficient means of transporting products from other countries to the country in which a shortage existed. Imports from the United States of the staple crops just mentioned are negligible but improved transportation and the resulting increase in capacity of consumption would provide additional markets for American products.

2. Development of new lands and new natural resources, and increased consumption of American imports

Improved transportation in these countries will develop new areas and new resources. There should result a notable increase in tourist traffic to the United States and imports from the United States.

3. Increased employment and maintenance of economic structures

Road construction and new enterprises made possible by improved transportation will provide employment in the present period of economic difficulty. Most of the Central American countries are dependent on bananas and coffee to meet their foreign exchange requirements and, with the European market practically closed to them for the present, it is to the mutual interest of the United States and of the Central American countries to take all practicable measures to maintain the economic structures in Central America.

4. Increased tourist traffic

It may be predicted that tourist traffic would greatly increase from the United States expecially as far south as Mexico and Guatemala and that similar traffic from these points to the United States would also show a notable growth. The value of tourist traffic is recognized both from an economic standpoint and as an exchange of cultural influences.

5. Increased market for American automobiles, parts, garage equipment, etc.

The opening up of the highway extending through Mexico and Central America to the Canal Zone would result in a greatly increased market for American passenger automobiles and trucks. The machinery and equipment used in garages, filling stations, and the parts and accessories required would also be important items of American export.

6. Defense value

While defense considerations have not motivated the suggestion for an outright contribution by this Government to the construction of the highway, the War and Navy Departments believe that a through highway from the United States to the Panama Canal would be of real value from the standpoint of the defense of the Caribbean area. The importance of political stability in all the countries of the Western Hemisphere at this time can hardly be exaggerated and this is in turn largely dependent upon the maintenance of economic stability. The project contemplated by this proposed legislation will contribute directly to the maintenance of order as improved communications will give the established Government in these countries materially more effective control over any attempted subversive activities within their borders and the actual work of construction would substantially assist in safeguarding the economic situation in these countries.

7. Almost entire appropriation to be spent in the United States

A most significant factor in this connection is that at least 80 percent and possibly 90 percent or more of the entire amounts appropriated under this bill would be spent for the purchase of American machinery and equipment, for transportation thereof on American vessels, and for salaries of American engineers. The net result would be between $48,000,000 and $54,000,000 of additional American exports. Increased employment would be afforded in this country as well as in the countries of Central America in connection with the actual construction work.

ADEQUACY OF ORIGINAL COST ESTIMATES

There are three reasons advanced for additional funds:

The original estimates for the total costs of the survey and construction of the road were prepared in 1939, at a time when the world was at peace. On the other hand, the first legislation approved by the Congress became effective on December 26, 1941, when war had not only broken out but had spread to involve the United States. These developments naturally increased the costs of construction. Thus, while the estimates were prepared on the basis of costs effective in peacetime, all the actual cooperative construction has been under wartime and postwar conditions.

In the second place, from a technical standpoint, it was found that the terrain, especially in southern Costa Rica, was unusually difficult. This naturally increased costs.

In the third place, the operations by the United States Army, in constructing its Pioneer Road, operated to increase costs. Cooperating with the Army, the Bureau of Public Roads agreed to construct certain portions of the road as rapidly as possible. In speeding this

work, the Bureau had to depart from its usual construction practices. Normally, work is reduced in these tropical countries during the rainy season, to a tempo which is economical. Under wartime stress and the Army's urging, the Bureau of Public Roads continued working at full speed during two rainy seasons. Thus, for example, the cost of moving a cubic meter of earth in Honduras, normally slightly under 50 cents, increased to $1.02 during those two rainy seasons.

STANDARDS OF CONSTRUCTION

Although the Bureau of Public Roads has adopted and has consistently maintained that very high standards of construction must be followed, it is believed by many that a good road of somewhat cheaper construction would adequately serve the traffic needs of many areas through which the Inter-American Highway passes.

The State Department is not qualified to determine purely technical questions. It believes, however, that the United States is not obligated to build more than a good, permanent highway.

The Department believes that a through road should be built as soon as possible along the entire route of the highway. It would seem desirable for the present, therefore, to leave the existing roads as they are, even though they do not now meet the Inter-American Highway standards. In other words, the Department believes that it would be preferable in most instances first to concentrate our cooperative construction activities under any new legislation to those areas where no road exists.

Past experience has shown that the local governments usually are more interested in improving the existing roads near the larger cities and in the more populated areas. Although it is evident that their wishes must be taken into consideration, it is believed that these details can be arranged satisfactorily through bilateral negotiations.

UNINTERRUPTED PROGRESS IN WORK ON GUATEMALAN SECTION OF HIGHWAY

The present political situation in Guatemala appears not to have affected the Inter-American Highway project in any way. There has never been the slightest interruption to the full cooperation which has existed between Guatemalan Government authorities in charge of highway construction and the United States Bureau of Public Roads.

The following statement is quoted from the testimony of the Honorable Richard C. Patterson, Jr., United States Ambassador to Guatemala, before a subcommittee of the Committee on Public Works of the United States Senate on May 25, 1950, when the subcommittee was considering the Inter-American Highway legislation (sec. 8, S. 3424):

> I know from personal observations in Guatemala that the completion of this project would contribute immensely to the economic development of that country. The people of Guatemala realize the tremendous benefits to be derived from good roads and from the resulting cheaper and easier transportation. They are anxious to see this highway completed through their country, and they are hopeful that the United States will continue its cooperation in the construction of this road which we undertook some years ago.

GAPS IN THE INTER-AMERICAN HIGHWAY

GUATEMALA

From the north, the first gap in the highway is in northwest Guatemala, adjacent to the Mexican border. This gap is about 25 miles long and extends from a point near El Ocotal, at the border, to a point about 10 miles beyond Colotanango where the present road in Guatemala ends. The proposed road lies in the valley of the Selegua River. The first 10 miles from the northern end is through heavily rolling country. The road then enters a more constricted section along the Selegua River, which at two places contracts to practically a canyon. Near Colotanango, the upper valley of the Selegua opens and the surveyed route approximately follows the existing road.

The Guatemalan Government and the Bureau of Public Roads are cooperating on this impassable section and work has been completed from the southern end for a distance of about 10 miles, leaving 25 miles still to be opened. In order to meet the highway in Mexico at the earliest possible date, a substandard road is planned. It is contemplated that before available funds are exhausted, approximately 5 miles more of this section will be opened.

COSTA RICA

There are two gaps in the Inter-American Highway in Costa Rica. The first, of 107 miles, is in the northern part of the country; the second is in southern Costa Rica and northern Panama, and is over-all 149 miles in length, 134 miles being in Costa Rica.

The first 65 miles of the route in the north is impassable in any weather. This is followed by a 42-mile stretch which is usable only in dry weather. The gap extends a total of 107 miles from the Nicaraguan line to the Logarto River in Costa Rica. The first 12 miles from the Nicaraguan border to La Cruz is heavily rolling country. From La Cruz the remaining distance of approximately 52 miles, of the impassable route, is across the Guanacaste Plain, over gently rolling or nearly flat topography, through Liberia to Bagaces. There is a 19-mile section of all-weather road from Bagaces to Las Canas. The dry-weather road runs 42 miles from Las Canas to the Logarto River.

No work is being done on this northern section as no further funds are available in Costa Rica. It should be an easy section to construct and can easily be finished in two dry seasons. The survey for this part of the highway has been completed.

COSTA RICA-PANAMA

The 149-mile gap in southern Costa Rica and northern Panama is the most difficult section still to be constructed on the Inter-American Highway. The gap runs from San Isidro del General to a point on the Panama frontier near La Cuesta. From La Cuesta the route is to Concepcion in Panama, the northern terminus of the existing highway in that country.

The first 56 miles in Costa Rica follow the foothills of the Cordillers to a point near Buenos Aires. From there the route swings into the General River Valley and then enters the Diquis River Canyon, which breaks through the coast range to the coastal plain near Palmar.

The distance through the canyon is approximately 21 miles and has been reconnoitered on the ground and by photogrammetric surveys from the air and no great difficulties are expected in constructing this section. After reaching the coastal plain near Palmar the last section of this route is over gently rolling, and in places flat country, past Golfito to La Cuesta and from there to Concepcion in Panama. This line has not been surveyed except by photogrammetric reconnaissance which has clearly established the feasibility of the route. It will probably take 3 years to open this segment of the highway when funds are made available.

PANAMA

Besides the 15-mile gap in Panama, adjacent to Costa Rica, there is an impassable stretch of 185 miles running from Chepo, which is about 50 miles below the Panama Canal, to the Colombian border. The 185-mile section is in the dense, steaming jungles of Darien. The area is inhabited only by primitive Indian tribes, some hostile to white men. This route has not been surveyed. It will probably be several years before the road is built. The major obstacle to complete this section is not the jungles of Panama but the Atrato River just over the border in Colombia. This barrier is a broad, sluggish stream, surrounded by many miles of swamp. It is in an area of between 150 and 200 inches of rainfall annually. This barrier will probably never be bridged but more likely will be bypassed by ferry.

CONGRESSIONAL APPROPRIATIONS FOR THE PAN AMERICAN HIGHWAY

Beginning in 1930 Congress has from time to time appropriated a total of $33,175,000 for direct expenditure on the Inter-American section of the Pan American Highway, that is, the segment between the United States and the Panama Canal. Congress has never made any direct appropriations for the sections of the Pan American Highway on the South American side of the Panama Canal or for the part of the highway in Mexico.

The first direct appropriation for the highway in 1930 was $50,000 for the original reconnaissance survey. Another $75,000 was appropriated in 1934 for continuing the survey. In 1934, too, an additional $1,000,000 was appropriated for "demonstration work" to indicate the probable relative expenditures on the highway for domestic and foreign materials and services. Fifty thousand dollars was provided for engineering advice and assistance in 1938. A total of $20,000,000 was appropriated for construction beginning in 1942 and ending in 1946 following the $20,000,000 authorization of 1941 (55 Stat. 860). In addition, there was a special appropriation in 1943 of $12,000,000 for extraordinarily heavy work in Costa Rica.

Besides these amounts, in 1942 and 1943, during the war, the United States Army engineers expended $35,773,232 in an attempt to make the Inter-American Highway passable for military vehicles. In addition, between 1939 and 1943, our Government appropriated $5,075,000 to improve the road from Chorrera to Rio Hato on the Inter-American Highway in Panama, for defense purposes (53 Stat. 1327, 55 Stat. 812, 57 Stat. 75).

For each year beginning with 1938, Congress has authorized allotments from administrative funds available to the Bureau of Public Roads for the purpose of implementing the Pan American Highway Convention, ratified in 1937. Through fiscal year 1950 these allotments have amounted to $1,049,000. The early authorizations were largely used for surveys on the Inter-American Highway. In more recent years the authorizations have been used to furnish engineering advice and assistance to countries which requested such help in connection with road and bridge matters. These countries did not have to have part in the construction program authorized by Congress in connection with direct appropriations for the Inter-American Highway. According to the Bureau of Public Roads, not over one-third of the above allotments have been applied to the Inter-American Highway.[1]

Administrative funds have been used in response to requests for help of a technical character by governmental members of the Pan American Union. Engineering advice and assistance has been requested by and given to Cuba, Haiti, and the Dominican Republic.[1]

Administrative funds have also been used at the request of other agencies of the United States Government, which were cooperating with foreign countries in projects involving need for technical assistance along the lines of work pertinent to that of the Bureau of Public Roads. Such requests have come from the State Department, the Export-Import Bank of Washington, one was from the Commodity Credit Corporation, and one from the Lend Lease Administration. Funds under these requests were spent on work other than that applicable to the Inter-American Highway in El Salvador and Costa Rica. Funds were also spent in Ecuador, Bolivia, Haiti, and Santo Domingo.

Table II summarizes information on the various appropriations for the Inter-American Highway.

STATEMENT BY HON. LLOYD M. BENTSEN, JR., JUNE 12, 1950

(Extension of Remarks, June 12, 1950)

[Congressional Record, pp. A4594-A4596]

Mr. Speaker, on May 5, this year, the Inter-American Highway was officially opened from the United States border at Laredo to El Ocotal on the Guatemalan frontier—a distance of 1,618 miles. On the same day another celebration at Ciudad Juarez-El Paso marked the opening of the Christopher Columbus Highway by the Mexican Government. The distance along this highway from its terminus at Juarez to El Ocotal, by way of Chihuahua and Mexico City before joining the Inter-American Highway route, is 2,174 miles.

Mexico, in pushing these two routes between her boundaries, has given priority to the international trunk line, although to many of her citizens other internal highways must have seemed to be of more immediate importance. But it is not enough to congratulate Mexico on a job well done. We must hasten now to complete the road to the Panama Canal so that all concerned may reap the maximum benefits from this unifying link between American nations in which we have already invested considerable labor and material.

The distance from El Ocotal to the Panama Canal along the highway route is 1,605 miles and of this length all but 281 miles are passable over all-weather roads. An additional 42 miles can be transited in dry weather. This 42-mile stretch, which should be improved, is in Costa Rica. Of the impassable lengths, 25 miles are in Guatemala, 199 in Costa Rica, and 15 in Panama.

[1] Records of the Inter-American Regional Office, Bureau of Public Roads, Department of Commerce, May 1950.

The Pan-American Highway throughout the Americas contemplates an additional 12,415 miles of all-weather road below the Panama Canal interconnecting the countries of South America, and of this 10,458 miles have been built. While it is, of course, desirable that the entire route be completed as soon as possible, we have an immediate concern with the completion of the few remaining miles through Central America because of our interests in the Panama Canal, our international commitments, and the investment we have already made in the road.

Fifty-one years ago, at the First Conference of American States, in 1889, the idea of constructing a railroad interconnecting the Americas was approved; but this plan never went beyond the survey stage. It was not until 1923, at the Fifth International Conference of American States held at Santiago, Chile, that a resolution was adopted calling for a study in the interest of developing an efficient program for the construction of automobile highways between the countries. Then, 2 years later, the Pan-American Congress of Highways was established and in 1929 the Congress of the United States appropriated funds for the participation of this country in survey work for the highway.

That same year there was held in Panama at the invitation of that nation the First Inter-American Highway Congress, attended by representatives of the six Central American States and the United States. This Congress recommended that within 5 years the countries involved construct a road suitable for vehicular traffic between Panama and the United States. During the next 4 years the Bureau of Public Roads reconnoitered a highway route and its report was published as a Senate document. In the first 10 years since the continental American Republics had agreed upon the wisdom of studying a Pan-American highway, the route of the portion designated the Inter-American Highway, from Panama to the United States, was rather definitely laid out.

The next year, 1934, saw the first United States appropriation for construction when Congress made available $1,000,000 primarily for demonstration work. Mexico was carrying its full share of the project and in 1936 opened the 762-mile segment between Laredo and Mexico City.

That same year at the Conference for the Consolidation of Peace, held at Buenos Aires, the Pan-American Highway Convention was signed. With the confirmation of this convention by the Senate and its proclamation by the President on September 16, 1937, the United States had undertaken a treaty obligation "to collaborate, with all diligence and by all adequate means, in the speedy completion" of an all-weather motor vehicle highway.

On April 28, 1941, Secretary of State Cordell Hull recommended the participation of the United States in the construction of the portion of the highway between the Panama Canal and Mexico, the Inter-American Highway. Congress enacted the necessary legislation in December of that year and $20,000,000 was subsequently appropriated. Work has since continued uninterrupted and the funds will be exhausted by the end of the current year.

In June 1942 the Army engineers, because of strategic needs, undertook to make the road passable for military vehicles but then in September 1943 terminated the project because the military need was no longer pressing. Just prior to the war this country embarked on the construction of a heavy duty road from Chorrera to Rio Hato in Panama, over a portion of this same route. To complete the history, I should add that in 1943 Congress appropriated $12,000,000 for especially difficult work in Costa Rica and this sum is now exhausted. Let me emphasize that United States participation is limited to Central America.

To summarize, today, the road from the United States to the Panama Canal is complete over 2,942 miles of the total 3,223-mile route and funds for United States participation will be exhausted this year. On March 28 I introduced a bill, now before the House Committee on Foreign Affairs, which would authorize the appropriation of $8,000,000 a year for the next eight fiscal years to enable the United States to cooperate with the Central American Republics in completing the highway between Mexico and the Panama Canal. Senator Chavez has included a similar authorization in the Federal aid highway bill now being considered by the Senate Committee on Public Works, of which he is chairman.

Naturally, before proposing the legislation, I was convinced that in the interest of the United States the road should be promptly completed. Since we embarked on the project it has been our intention, as repeatedly indicated by the President, by the Secretary of State, by Members of Congress, and by Congress in its 1941 enactment, to build a through highway. The governments of the six republics—Guatemala, Salvador, Honduras, Nicaragua, Costa Rica, and Panama—consider that we are committed to the project and each of the six has recently offered our Government assurances of its cooperation toward the early completion of the work.

At the first conference of the Ministers of Public Works of Central America and Panama, the conferees recently issued a formal statement:

"That in order to undertake the completion of the construction of the Inter-American Highway, the countries represented at the conference are willing to contribute their respective quotas to underwrite the total cost of the highway within their respective borders, as soon as the United States of America should decide to continue its policy of cooperation with these countries to that effect."

They have further taken into consideration the cost and operation of maintenance of the highway by their statement:

"Understanding their unavoidable obligation to maintain the Inter-American Highway after completion in sound condition for its use, resolve that the countries represented at the conference should include in their annual budgets the necessary funds for the conservation of the Inter-American Highway in each of the sections corresponding to the respective countries (March 4, 1950)."

But even if the record did not indicate our intent; even if the Central American states did not feel we were committed. I am convinced that the highway should be completed at the earliest possible date. Remember that during the war the Army felt, at one time, the strategic importance of completing the work. It was on July 23, 1942, that the Secretary of War advised the Secretary of State that the construction of the Inter-American Highway was an urgent military necessity. If it was then, it could be again. Submarines preyed on Carribean shipping in the last war. In the event of hostilities again another nation might disrupt commerce by submarine warfare in that area. In 1949 over half of the antimony ore imported came from Mexico. Sixty percent of the fluorspar, 85 percent of amorphous graphite and over half the zinc-bearing ores imported came from the area. In addition to these strategic and critical materials, others imported from Mexico and Central America include agar, castor oil, coconut oil, manila fiber, pyrethrum, copper, manganese, mercury, mica, platinum, strontium, tin, and tungsten. The defense aspects cannot be ignored.

One of the great links of the national transport system is the Intracoastal Canal that bends down to the border. Others are the major pipelines that span the Nation from the border. Completion of the Inter-American Highway will be another instance of further providing a concrete backbone, linking the nations, in the event of further aggression of a foreign power—all protected from sea raiders during a defense of this continent.

More important, perhaps, is the building of hemispheric solidarity. In this country we have seen how the automobile has overcome geographical and regional obstacles to our national solidarity. Repeatedly I have noticed at motor courts and hotels along the border communities in my district automobiles displaying registration plates of Oregon, Kansas, Massachusetts, Michigan, New York. Yes; even Florida and California plates are seen on the roads through south Texas citrus groves. Occasionally we see an Ontario or some other Canadian plate. This intermingling of people from various parts of North America has acquainted the people of one area with those of another. It has acquainted people with the resources and problems of other areas of the country. Acquaintance first breaks down prejudice. Then it develops understanding. It is almost impossible to visualize all the advantages that can come when Panama and Costa Rica license plates will be seen in Nebraska and those from Maine and Oregon will be seen in Nicaragua. To hasten that day we must complete the highway to the Canal Zone.

The Inter-American Highway will open up the countries to themselves and to one another. This will stimulate trade and tourist traffic. Local surpluses and shortages can be better balanced. Practically every year there is a shortage of some staple such as corn, rice, or beans in some one of the Central American countries. An interconnecting highway with short haul transportation will provide a cheap means of combating such situations in the interior.

The Honorable Edward J. Miller, Jr., Assistant Secretary of State for Inter-American Affairs, stated that, "this will open up new areas to development, stimulating demand for American farm machinery and other products. It is not overoptimistic to predict that increased sales of United States manufactured products in the countries to be served by the highway will, in a few years' time more than cover the costs of our contributions to the highway's construction. Any improvement in living standards will be done to the benefit of the United States as well as to that of the countries themselves. We import from those countries tropical agricultural products, noncompetitive in nature. We send them processed foods, textiles, and other manufactures. In 1940, we bought 54 percent of their exports, while they purchased 75 percent of their needs from us. In 1948 we took 72 percent of their exports while 83 percent of their imports

came from the United States. The total of our foreign trade with these six countries now amounts to over $400,000,000 a year as compared with approximately $80,000,000 before the war. The Inter-American Highway will be a vital factor in further increasing United States trade with Central America and Panama."

Completion of the trunk route will stimulate local road construction. These tributary highways will open new areas within the countries and stimulate demand for additional goods and equipment from the United States, particularly automobile parts and garage accessories. They will stimulate demand for farm machinery. The economic expansion of highway construction will create a permanent market for maintenance personnel. As such it helps stabilize the economy of these States which so largely rely on a few agricultural commodities for their foreign exchange. Improved highways will tend to lower transportation costs and so improve living standards within Central America.

The funds used will be largely spent in the United States—for road machinery, supplies, and professional help. Failure to complete the project now would practically constitute abandonment and would prevent realization of the full return on funds already spent.

The State Department has advised that there is no single matter in our relations with the six countries concerned which has a higher priority from their point of view. Better communications will help stabilize the economy and politics of these neighbors. It will eliminate the physical isolation which contributes to instability.

It is no exaggeration to say that the completion of the highway is a matter of crucial importance to each one of these countries, and to abandon this project would hurt our relations with those countries.

In giving our attention to the high priorities and the high costs of helping restore to stability the ravaged nations of the world and of assisting them to combat inimical doctrines and forces, we must not overlook the importance and relatively small cost of aiding the nations of the Americas to attain greater solidarity. Failure to carry forward work on the highway would be inconsistent with the point 4 program which Congress has recently adopted.

I repeat, we must complete the highway promptly for national defense, to provide an overland route to the Panama Canal, to protect our present investment for our domestic interests, to foster hemispheric solidarity, to carry out our international commitments, and to improve our foreign relations. I know of no other project that is justified for so many reasons. Let us hasten its completion so that we may all partake of its benefits as soon as possible.

STATEMENT BY THE HONORABLE EDWARD G. MILLER, JR., ASSISTANT SECRETARY OF STATE FOR INTER-AMERICAN AFFAIRS, BEFORE THE SENATE COMMITTEE ON PUBLIC WORKS, ON S. 3424, "A BILL TO AMEND AND SUPPLEMENT THE FEDERAL-AID ROAD ACT APPROVED JULY 11, 1916 (39 STAT. 355), AS AMENDED AND SUPPLEMENTED, TO AUTHORIZE APPROPRIATIONS FOR CONTINUING THE CONSTRUCTION OF HIGHWAYS, AND FOR OTHER PURPOSES"

(Department of State Press Release 546, May 25, 1950)

I appear before you to support an additional appropriation of $8,000,000 during fiscal year 1951 for cooperation with the six countries concerned in continued construction work on the Inter-American Highway in Central America and Panama. This proposed authorization is contained in section 8 of Senate bill 3424. It is contemplated that similar annual appropriations will be asked through the fiscal year ending June 30, 1958, to enable final completion of that work.

The Department of State supports completion of the Inter-American Highway:

(1) Because it is the announced intention of this Government to build a through road. This intention has been repeatedly expressed by the President, by the Secretary of State, and by Members of the Congress (annex A).

(2) Because it appears to have been clearly the intent of Congress to build a through highway, when in 1941 it authorized the original appropriation for this project (annex B).

(3) Because the countries involved consider that we are committed to them to carry the project to completion.

(4) Because the governments of each of the six countries concerned have recently offered to our Government formal assurances of their cooperation toward the early completion of this project. In addition to obligating themselves to contribute financially to the construction of the road and to make available necessary rights-of-way, they have agreed (*a*) that the highway shall follow the most direct route; (*b*) that they will be responsible for the maintenance of the road; and (*c*) that they will not levy on aliens for use of the road any tolls or any other charges not levied on their own nationals (annexes C, D, and E).

Pursuant to the provisions of Public Law 375 of December 26, 1941, necessary assurances were obtained from each of the six countries involved. At that time it was made clear to them that no funds could be made available for any part of the highway until we had obtained adequate assurances from all the countries. In this way they were aware of our policy, as set forth in the act, not to do any work in any country unless and until we were assured of a through road. There is, thus, in their eyes a commitment on the part of the United States to cooperate in the completed construction of a highway from the border between Guatemala and Mexico and the Panama Canal Zone.

But even if we had not so declared our intention, even if the intent of Congress were less clear, even if the countries involved did not feel we are committed to carry the project through to completion, I should nevertheless recommend it, for two reasons: (1) It is in our own direct interest, and (2) it is in the interest of our foreign relations.

1. It is to our direct interest for clear economic reasons:

(1) As was pointed out by Secretary of State Cordell Hull in his statement of April 28, 1941, when the original bill was under consideration, the road will improve transportation within and between the several countries and the United States; it will help develop new lands, new natural resources and increased consumption of imports from the United States; it will increase employment and help maintain stable economic structures in Central America and Panama; it will increase tourist traffic; it will stimulate an expanded market for American automobiles and machinery, repair parts, garage equipment, etc.; and it will open an alternative route, a land route, to the Panama Canal Zone.

(2) One of the principal reasons for the retarded progress of Central America is the primitive nature of its transportation systems, with the resultant near-strangulation of economic development. The economy of these countries through the past several centuries has usually restricted their road-building activities to the routes between the capital city and the nearest ocean port. Motor-transport rates as well as rail rates, when such transportation is available, are now many times greater than in the United States. Transportation by oxcart, pack animals, or human carriers (by which means a heavy volume of traffic is moved) is even more expensive. Completion of this highway should permit reduction of present motor vehicle operating costs by about 40 percent. Highway competition should bring reduced railroad rates.

(3) The greatest benefit from reduced transportation costs will be felt by those income groups operating on a bare subsistence level, whose diet is deficient and unbalanced. A higher standard of living and a sound economy in the countries of Central America is important to the United States both politically and economically.

(4) Opening up new areas to development will stimulate demand for American farm machinery and other products. It is not overoptimistic to predict that increased sales of United States manufactured products in the countries to be served by the highway will, in a few years time, more than cover the costs of our contributions to the highway's construction.

(5) Any improvement in living standards will redound to the benefit of the United States as well as to that of the countries themselves. We import from those countries tropical agricultural products, noncompetitive in nature. We send them processed foods, textiles, and other manufactures. In 1940, we bought 54 percent of their exports, while they purchased 75 percent of their needs from us. In 1948 we took 72 percent of their exports, while 83 percent of their imports came from the United States. The total of our foreign trade with these six countries now amounts to over $400,000,000 a year as compared with approximately $80,000,000 before the war. The State Department believes that the Inter-American Highway will be a vital factor in further increasing United States trade with Central America and Panama.

(6) By far the greater portion of the appropriations to be authorized by this proposed legislation would be spent in the United States for road machinery, equipment and supplies, and for salaries of United States engineers. These expenditures, therefore, would result in increased employment both in the United States and in the other countries concerned.

70606—50——3

(7) To abandon the project now would be to fail to protect the sums already invested, both by the United States and by the countries of Central America.

2. It is important to our foreign relations for the following reasons:

(1) There is no single matter in our relations with the six countries concerned which has a higher priority from their point of view. I have had the opportunity of becoming acquainted with this matter at first hand in my visits to certain of the countries concerned and in my talks with the ambassadors from those countries. It is no exaggeration to say that the completion of the highway is a matter of crucial importance to each one of these countries. Accordingly, to abandon this project would hurt our relations with those countries. I am glad that our Ambassador to Costa Rica, the Honorable Joseph Flack, our Ambassador to Guatemala, the Honorable Richard C. Patterson, Jr., and our Ambassador to Nicaragua, the Honorable Capus M. Waynick, are here today to express themselves on this point.

(2) There is nothing which we could do for the benefit of the countries concerned and of their people which would be more useful to these people than the completion of the highway. Most of these countries have received relatively little economic assistance from this country in relation to assistance provided to other areas of the world and to other countries in Latin America. Accordingly, completion of the highway will be enthusiastically received in those countries as a genuine indication of United States concern with this very vital part of the world.

(3) For the United States to abandon this project at the present time could seriously injure our relations with those countries. All have made large expenditures on the highway in cooperation with us and in the clear belief that it would be a through road. To suspend work now with only sections completed would be extremely harmful to our relations with those countries.

(4) The countries of Central America are relatively underdeveloped and their histories have from time to time been marked by extreme political instability. This is due in part to the physical isolation of these contiguous countries one from the other as a result of lack of communication. While the advent of the airplane has brought about considerable improvement, only direct land communication can bring these countries together. Whatever we can do to stimulate cooperation between these countries through improving travel and commerce between them will be in the interests of all of the countries in the area and in our own interest. While the ideal of Central American unity may be far from materializing in the political sphere, there is a sincere desire on the part of all of the countries of the area to become more closely knit, at least economically.

Finally, I wish to appeal to you to give this legislation your early as well as your favorable consideration. I say "early" because it is important that we obtain these additional funds as soon as possible. Exhaustion of available funds forced the Bureau of Public Roads to suspend work on its project in northern Costa Rica in 1945, and soon thereafter work was suspended in several other countries. Except for a few projects where the cooperative work under existing law was begun more recently, the work has come practically to a standstill.

In conclusion, I should like to call your committee's attention to the possible desirability of amending certain provisions of section 8 of the proposed legislation. The Department of State suggests the following for your consideration:

(1) The language of the proposed legislation, in lines 18 and 19 on page 12, would require a right-of-way with a minimum width of 100 meters in rural areas and 30 meters in municipalities. It is felt that this requirement may be found impracticable and excessive in some places along the route. In the developed urban and agricultural areas the costs for the establishment of such rights-of-way would be exorbitant and in many cases prohibitive. It is recommended, therefore, that this provision of the proposed legislation be made more flexible.

(2) That a comma and the following clause be inserted in line 12 on page 13 after the word "parties": "or of any other treaty or international convention establishing similar reciprocal recognition;".[1]

[1] Mr. Miller's recommendation (2) was followed—par. (4), subsec. (b) of sec. 11 of H. R. 7941, as reported out by the Senate Public Works Committee July 14, 1950, so provides.

ANNEX A

STATEMENTS DEMONSTRATING THAT IT IS OUR POLICY, AS SET FORTH BY PRESIDENT ROOSEVELT AND THE SECRETARY OF STATE, TO CONSTRUCT A THROUGH HIGHWAY

That the intention was always to construct a through highway is demonstrated by the use of the word "completing" by President Roosevelt in his letter of March 27, 1941 to the Secretary of State. In context, it says that with reference to the latter's letter "suggesting the desirability of completing the Inter-American Highway in the near future as far south as the Panama Canal * * * I approve the general program and you are requested to draft the necessary legislation to carry it into effect. * * *"

On November 28, 1941, Mr. Hull wrote to Mr. Sabath, of the House of Representatives, "* * * it would be unfortunate if the full benefits which the termination of the highway to Panama would bring about were not realized. It is apparent that the utility of each section will be greatly enhanced by a completion of the other, since linked together they will form a through highway to Panama."

On September 11, 1943, Mr. Hull wrote to Mr. Bloom, stating, "* * * both this Department and the Public Roads Administration consider it desirable to provide a through route in Central America. * * * It is the expressed policy of the President and of the Congress that adequate through-highway facilities in Central America be completed. This policy has been the basis for legislation enacted by the Congress and for negotiations with the American Republics concerned."

In its interim report of December 18, 1946, the Committee on Roads, House of Representatives, said: "It is recommended that the through highway from the United States to the Canal Zone be completed at the earliest possible date."

Such being the expressed policy of the President, the Congress and the Secretary of State, it would be most unfortunate were work now to be abandoned for lack of funds.

ANNEX B

DEMONSTRATING THE CLEAR INTENT OF THE CONGRESS THAT THE ROAD SHOULD BE A THROUGH HIGHWAY

When Congress first provided for our cooperation with the Republics of Central America in the construction of the Inter-American Highway, in the act of December 26, 1941 (Public Law 375, 77th Cong.), it made clear its intent to provide a through road by stipulating, "No expenditures shall be made hereunder for the construction of said highway until the government of each of the above-named countries shall have given satisfactory assurance to the United States that it will assume at least one-third of the expenditures proposed to be incurred henceforth by that government and by the United States in the survey and construction of such highway within the borders of such country, or has given other assurances satisfactory to the President that it has made appropriate arrangements to complete such survey and construction within a reasonable period." Thus, the Congress made clear its desire that no money should be spent in any country until all the countries concerned should agree to cooperate. The objective of this provision was obviously to insure the construction of a through highway, rather than just sections of it, country by country.

ANNEX C

ASSURANCES OFFERED BY COSTA RICA, EL SALVADOR, GUATEMALA, NICARAGUA, AND PANAMA

The First Conference of the Ministers of Central America and Panama on the Inter-American Highway approved the following resolutions, recommendations, and declarations at its meeting in Panama on March 3 and 4, 1950:

"The First Conference of the Ministers of Public Works of Central America and Panama on the Inter-American Highway,

"Considering that, while the Inter-American Highway is intended to serve the local interests of each country through which it traverses, its principal object is to promote and stimulate the cultural and commercial relations between the United States of America, Mexico, Central America, and Panama and at the same time to provide a medium for the common defense,

"Declares:

"That the definite routing of the Inter-American Highway shall be based upon a coordinated plan of the various countries following as closely as possible the ideal routing, that is, in such a manner that the total length of the highway shall be the minimum possible length. In arriving at the definite routing, there shall be adopted the general specifications of the Bureau of Public Roads of the Government of the United States of America, with the proviso that the sections of the highway already constructed but which are not presently adaptable to these specifications shall be modified under a cooperative plan allowing sufficient time so that the countries represented at the Conference shall not be obliged to make sacrifices that will cause undue hardship to their national economies" (March 4, 1950).

CONTRIBUTIONS FOR THE COMPLETION OF THE CONSTRUCTION OF THE INTER-AMERICAN HIGHWAY AND FOR THE ESTABLISHMENT OF A SPECIAL DEPARTMENT

"The First Conference of the Ministers of Public Works of Central America and Panama on the Inter-American Highway,

"Declares:

"That, in order to undertake the completion of the construction of the Inter-American Highway, the countries represented at the Conference are willing to contribute their respective quotas to underwrite the total cost of the highway within their respective borders, as soon as the United States of America should decide to continue its policy of cooperation with these countries to that effect;

"That the countries represented at the Conference shall make an annual contribution in accordance with their economic possibilities, but without interruption, and that the countries undertake to invest annually in the construction as large a contribution as possible;

"That the countries represented at the Conference obligate themselves to maintain, as an integral part of their Governments or as an independent office, a special department that will be charged with these activities both in their technical and in their administrative aspects" (March 4, 1950).

MAINTENANCE OF THE INTER-AMERICAN HIGHWAY

"The First Conference of the Ministers of Public Works of Central America and Panama on the Inter-American Highway,

"Understanding their unavoidable obligation to maintain the Inter-American Highway after completion in sound condition for its use,

"Resolves:

"That the countries represented at the Conference should include in their annual budgets the necessary funds for the conservation of the Inter-American Highway in each of the sections corresponding to the respective countries" (March 4, 1950).

EXEMPTION FROM ADDITIONAL OR SPECIAL TAXES

"The First Conference of the Ministers of Central America and Panama on the Inter-American Highway,

"Declares:

"That for the use of the Inter-American Highway there shall not be levied on any alien in transit any additional or special taxes that are not the usual taxes in the respective countries" (March 4, 1950).

(NOTE.—The Embassies at Washington of the five countries represented at the above-mentioned Conference in Panama have recently addressed separate communications to the Department of State which offer, on behalf of their respective Governments, the same assurances as outlined above.)

ANNEX D

ASSURANCES OFFERED BY GUATEMALA

The following note was addressed to the Department of State on September 12, 1949, by the Guatemalan Embassy in Washington.

"EMBAJADA DE GUATEMALA,
"Washington, D. C.

"MEMORANDUM

"The Embassy of Guatemala refers the Department of State to the following matter: During the month of July of the present year the representatives of the Republics of El Salvador, Honduras, Nicaragua, Costa Rica, Panama, and Guatemala, together with the representatives of the Department of State and of the Public Roads Administration, met at the Department of State in order to discuss questions relating to the termination of the Inter-American Highway extending from the Mexican frontier as far south as the Panama Canal.

"In this connection the Embassy wishes to expound the unofficial views of its Government in order that the United States Government be informed of the attitude that the Government of Guatemala would most likely assume if a definite and joint commitment pertaining to the Inter-American Highway be made by the aforementioned Latin American countries.

"1. The Government of Guatemala would undertake, as it previously did during the construction of the highway through Guatemala, to finance one-third of the total sum required for any additional work that in connection with the construction of said highway took place in Guatemala.

"2. The Government of Guatemala would pledge itself to exert every effort needed to upkeep in perfect traveling conditions the section of the highway that traverses Guatemala.

"3. The Guatemalan Government would guarantee that under no circumstances whatsoever would it impose discriminatory taxes, charges, or tolls for the use of the highway under its jurisdiction; it being understood that its use would be absolutely free, not only in Guatemala but also in other countries crossed by said highway.

"4. If the Governments concerned were willing to join in the creation of an international highway commission in charge of supervising and rendering advice for the adequate maintenance of the highway, the Government of Guatemala would gladly assume all obligations derived therefrom; it being understood that said commission would be established by an international convention, binding the countries concerned to undertake the obligation to each other to comply with the recommendations formulated by said commission.

"WASHINGTON, D. C.,
"September 12th, 1949."

ANNEX E

ASSURANCES OFFERED BY HONDURAS

The following note was addressed to the Department of State on December 28, 1949, by the Honduran Embassy in Washington:

"EMBAJADA DE HONDURAS
"WASHINGTON, D. C.
"December 28, 1949

[Translation]

13906

"EXCELLENCY:

"I have instructions from my Government to transmit to Your Excellency the replies which I had given you orally to the questions asked on June 30, 1949, during the conversation concerning the completion of the Pan American Highway which took place in the Department of State and in which the Ambassadors from Central America took part.

"1. The Government of Honduras is willing to contribute the amount of its share, in accordance with the arrangements being made with the American Government on this matter.

"2. The Department of State may be sure that in the location and construction of the Pan American Highway (Honduras Section), no unnecessary curves or deviations have been or will be introduced.

"3. It may also be sure that no taxes will be imposed on travel or trade for the use of the said Highway.

"4. The Government of Honduras is willing to maintain its Section in good condition.

"5. The Government of Honduras does not have any objection to furnishing information which may be asked of it for a better understanding of the problem and for facilitating the action which the Department of States may take.

"I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

"RAFAEL HELIODORO VALLE

"His Excellency
"DEAN ACHESON
"*Secretary of State,*
"*Washington, D. C.*"

EXCERPT FROM REPORT ON SPECIAL MISSION TO COSTA RICA (BY HON. LAURIE C. BATTLE AND HON. DONALD L. JACKSON)

(Submitted January 10, 1950)

A. THE COSTA RICAN SECTION

The completion of the Costa Rican section of the Inter-American Highway would probably contribute more to the long-range economic development of Costa Rica than any other one project. This section will be approximately 375 miles in length, of which only 61 miles have been paved and approximately 100 miles are still impassable jungle trails. It passes through an area of large cattle estates, coffee, and banana plantations, and then climbs 4,000 feet in 25 miles to the Meseta Central. From this cool tableland, hemmed in by mountains and planted almost solidly with coffee, the road climbs 1,000 feet between San José and Cartago. In the next 20 miles it climbs 6,000 feet more and crosses the Continental Divide at an altitude of 11,000 feet. This is the highest elevation on the Inter-American Highway. In this area some of the cuts and fills are from 100 to 125 feet deep. The scenery is superb, the tropical forests are exotic, and the virgin soil is extremely fertile. The highway opens for new agricultural development wide valleys and extensive mountain slopes suitable for the production of tropical food products.

B. UNITED STATES LEGISLATION

The United States Government undertook the construction of the Inter-American Highway as an international cooperative project, pursuant to Public Law 375 of December 26, 1941, which provided that Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama should contribute one-third of the cost. Considerable progress was made during the early years of this program, despite wartime stringencies. However, the funds allocated for Costa Rica were exhausted by 1945, and construction in that country was suspended over 4 years ago. The cost of construction was found to be considerably more than originally estimated. New legislation has been proposed by the executive branch to the Congress to authorize additional appropriations for the completion of this important project.

C. SIGNIFICANCE OF HIGHWAY

Officials in the Costa Rican Government and other Costa Ricans with whom conversations were held on the subject emphasized the significance of the highway in connection with the future economic development of their country as well as their neighborly relations with the surrounding countries. They are greatly interested in seeing this road completed through their country at the earliest possible date.

TEXT OF AGREEMENTS

A. PANAMA

HIGHWAY BETWEEN CHORRERA AND RIO HATO

The Secretary of State to the Panamanian Ambassador

DEPARTMENT OF STATE
WASHINGTON
March 23, 1940

EXCELLENCY:

I have the honor to invite Your Excellency's attention to the act approved July 20, 1939 (Public No. 200, 76th Congress, Chapter 335, First Session) [1] authorizing an appropriation of not to exceed $1,500,000 "to meet such expenses as the President (of the United States), in his discretion, may deem necessary to enable the United States to cooperate with the Republic of Panama in connection with the construction of a highway between Chorrera and Rio Hato in the Republic of Panama". The act provided that "the expenditure of such sum shall be subject to the receipt of assurances satisfactory to the President (of the United States) from the Government of the Republic of Panama of its cooperation in such construction."

In accordance with the provisions of the aforesaid act of Congress, conversations have been held with Your Excellency with a view to arriving at a mutually acceptable agreement as to the manner in which our two Governments may best cooperate in this work. As a result of these conversations, it is my understanding that agreement has been reached between our two Governments in the form set forth in the enclosed memorandum.

Upon the receipt of a note from Your Excellency confirming my understanding that the Government of Panama is agreeable to the basis of cooperation set forth in the enclosed memorandum, the Government of the United States is prepared to take the necessary steps to render effective its desire to assist in this enterprise.

Accept, Excellency, the renewed assurances of my highest consideration.

CORDELL HULL

Enclosure:
Memorandum dated March 23, 1940.

His Excellency
Señor Dr. DON JORGE E. BOYD,
Ambassador of Panama.

March 23, 1940

MEMORANDUM

BASIS OF COOPERATION BETWEEN THE REPUBLIC OF PANAMA AND THE UNITED STATES OF AMERICA IN THE CONSTRUCTION OF THE PROPOSED HIGHWAY BETWEEN CHORRERA AND RIO HATO

1. Pursuant to a contract entered into February 21, 1940, [2] by and between the Republic of Panama, the National Bank of Panama, and the Export-Import Bank of Washington, arrangements were made for financing, in part, the reconstruction of the highway between Chorrera and Rio Hato.

2. By act approved August 9, 1939 (Pub. No. 361–76 Cong.) [3] Congress appropriated the sum of $1,500,000 to enable the United States to cooperate with the Republic of Panama in the construction of said road "for defense puroses" in accordance with the terms of the authorizing act approved July 20, 1939 (Pub. No. 200–76 Cong.).

3. Pursuant to the aforementioned contract and Acts of Congress the construction of said highway shall be undertaken cooperatively by the Government of the Republic of Panama and the Government of the United States. To that end the Government of the United States shall designate an engineer of the Public Roads Administration, Federal Works Agency, as its representative, whose salary and expenses shall be paid by the Government of the United States. The Government of the Republic of Panama, acting through its Highway Department, shall appoint an engineer who shall cooperate with the engineer representing the United

[1] [53 Stat. 1071.]
[2] [Not printed.]
[3] [53 Stat. 1301.]

States in all matters relating to this work in accordance with the stipulations agreed upon in the contract between the Republic of Panama, the Banco Nacional, and the Export-Import Bank of February 21, 1940, above referred to.

4. All work on said highway shall be performed in accordance with plans and specifications jointly agreed upon between the Highway Department of the Republic of Panama and the Public Roads Administration, Federal Works Agency, of the United States of America.

5. In order to facilitate the fulfilment of the obligations devolving upon the engineer of the Public Roads Administration under the contract between the Republic of Panama, the Banco Nacional, and the Export-Import Bank, of February 21, 1940, as well as under the present basis of cooperation between the United States of America and the Republic of Panama such technical assistance shall be furnished by the Government of Panama as is jointly agreed upon between the Chief Highway Engineer of the Republic of Panama and the Public Roads Administration. The cost of such assistance shall be borne by the party requesting it from the funds available for the work.

6. There shall be complete cooperation between the Highway Department of the Republic of Panama and the Public Roads Administration of the Federal Works Agency of the United States. To this end each agency shall furnish the other with full information regarding all phases of the construction activities undertaken pursuant to this agreement, as contemplated in the contract between the Republic of Panama, the Banco Nacional, and the Export-Import Bank above referred to.

7. As both countries desire to complete the construction of this road as expeditiously as possible, the Republic of Panama shall initiate the work at the earliest practicable date. In order further to expedite the construction of this road, the Republic of Panama shall supply an adequate and sustained force of skilled and unskilled labor during the course of construction. The Republic of Panama further shall place the assignment of labor to this project in high priority among construction projects over which it has control, and shall use all the means at its disposal to provide for prompt deliveries of all necessary supplies, materials, and equipment for the work.

8. The Public Roads Administration of the Federal Works Agency of the United States shall act as purchasing agent for the procurement, inspection, and forwarding to Panama of all required equipment, articles, supplies, and materials for the work which are not mined, produced, or manufactured in Panama. Such procurement, inspection, and forwarding shall be done when requested by the Highway Department of the Republic of Panama with the approval of the Representative of the Public Roads Administration.

9. The Republic of Panama shall furnish free of charge in natural deposits all stone, gravel, sand, earth, or other natural products for the construction, whether or not these occur on the public domain, as well as easements necessary to make these deposits available. The Republic of Panama shall likewise make available free of charge lands necessary for the use of construction camps, storage of materials, and all other purposes incident to the work.

10. The Republic of Panama shall make available for the repair of tools and equipment used in this construction, and at a reasonable cost for time and materials, the facilities of the mechanical shops of the Panamanian Highway Department in so far as these may be adequate for the purpose.

11. The Republic of Panama shall furnish without cost such office space in Panama City or elsewhere in the Republic as may be necessary for the use of the Public Roads Administration.

12. In so far as may be practical, the highway to be constructed shall follow the lines and grades of the existing road between Chorrera and Rio Hato, and shall begin at the point near Chorrera where recent improvements of the road by the Republic of Panama ended, and shall end at a point in or near Rio Hato, to be determined in common agreement by the Highway Department of the Republic of Panama and the Public Roads Administration of the Federal Works Agency. The lines and grades of the existing road, as well as general specifications therefor may, however, be rectified and altered when deemed necessary or desirable by agreement between the Highway Department of the Republic of Panama and the Public Roads Administration of the Federal Works Agency, in order to improve the existing line and grade for the purpose for which it is designed.

13 The Republic of Panama shall institute and prosecute to completion, without expense to the funds provided by the United States or the credits made available by the Export-Import Bank of Washington, D. C., all necessary proceedings for the expropriation, condemnation, acquisition, or purchase of lands required for the construction of the road, including any rectification of the line or grade of the road.

14. Any expenditures properly made under this agreement by the Public Roads Administration of the Federal Works Agency from its regular funds and not provided from the $1,500,000 appropriation herein above referred to shall be reimbursed said Administration by the Government of Panama from funds available for the work, provided that such expenditures shall have been made at the request or with the approval of the Highway Department of Panama. This requirement shall not apply to the salary and expenses of the engineer of the Public Roads Administration referred to in paragraph 3 hereof.

15. The disbursement of all funds received by the Republic of Panama under the contract of February 21, 1940, referred to in paragraph 1 hereof, shall be made by the Highway Department of the Republic of Panama in agreement with the representative of the Public Roads Administration. Since the charter of the Export-Import Bank expires June 30, 1941, the funds available from this source will be expended, in so far as may be practicable and efficient, prior to that date. The additional funds provided by the Government of the United States shall be expended by the Public Roads Administration in agreement with the representative of the Republic of Panama.

16. Upon completion of the work all remaining tools and equipment, as well as all materials and supplies unused, which have been purchased from the appropriation made available by the United States, referred to in paragraph 2 hereof, shall remain the property of the United States, and all remaining tools and equipment, and all materials and supplies unused at the termination of the work which shall have been procured from other funds or from funds made available through credits from the Export-Import Bank of Washington, shall be the property of the Republic of Panama.

17. The Republic of Panama shall enact legislation and take such other action as may be necessary to exempt from the payment of customs duties, taxes and imposts of all kinds, the materials, supplies, equipment and tools required for use in this construction.

18. The Republic of Panama shall assume all liability of any nature or kind arising out of or in connection with the work provided for herein, resulting from the operations conducted under this agreement within the jurisdiction of the Republic of Panama.

The Panamanian Ambassador to the Secretary of State

EMBAJADA DE PANAMA
WASHINGTON, D. C.

Número D–131

Marzo 23 de 1940.

SEÑOR SECRETARIO:

Tengo a honra acusar a Vuestra Excelencia recibo de la comunicación de Marzo 23 de 1940 remisoria de un Memorandum de la misma fecha, en el cual se hace constar lo que Vuestra Excelencia considera han sido los acuerdos a que hemos llegado con el fin de establecer en la forma más efectiva la cooperación de nuestros dos Gobiernos en la proyectada reconstrucción de la carretera que va de la Chorrera a Rio Hato en la República de Panamá.

Mi Gobierno ha recibido con gran satisfacción esta nueva evidencia de parte del Gobierno de los Estados Unidos de sus buenos deseos de cooperar con el Gobierno de mi país en esta obra pública. Las bases de cooperación apuntadas en el Memorandum anexo a la nota de Vuestra Excelencia en referencia han merecido la aprobación completa del Gobierno Panameño, quien no duda que este espíritu de absoluta armonía y buena voluntad que ha reinado en las negociaciones celebradas por el suscrito con los distintos funcionarios del Gobierno de Vuestra Excelencia y que se traduce en el documento que Vuestra Excelencia se ha dignado acompañarme, continuarán durante todo el período de estos trabajos.

Válgome de esta feliz oportunidad para reiterar a Vuestra Excelencial el agradecimiento de mi Gobierno y el mío propio con este motivo y para ofrecerle el testimonio de mi más elevada y distinguida consideración,

JORGE E BOYD

Su Excelencia CORDELL HULL,
Secretario de Estado de los Estados Unidos,
Washington, D. C.

Translation by the Panamanian Embassy of the Foregoing Note

EMBAJADA DE PANAMA
WASHINGTON, D. C.
March 23, 1940

MR. SECRETARY:

I have the honor to acknowledge the receipt of Your Excellency's note of March 23, 1940, enclosing a memorandum bearing the same date, which sets forth your understanding of the conclusions which we have reached as to the most suitable manner for making effective the cooperation between our two Governments in the construction of the proposed highway between Chorrera and Rio Hato in the Republic of Panama.

My Government has received with great satisfaction this new evidence of the willingness of the Government of the United States to cooperate with the Government of my country in this enterprise. The basis of cooperation set forth in the memorandum enclosed in Your Excellency's note under reference has met with the full approval of the Government of Panama, which does not doubt that the spirit of absolute harmony and good will that has been evidenced during the negotiations carried out between several officials of Your Excellency's Government and the undersigned, and which are manifest in the document which Your Excellency has been kind enough to send me, will continue during the whole period of time of construction of this highway.

Accept, Excellency, the assurances of gratitude of my Government as well as my own, with the expressions of my highest and most distinguished consideration.

His Excellency
The Secretary of State

The Panamanian Minister of Foreign Relations to the American Ambassador

SECRETARIA DE RELACIONES EXTERIORES
DEPARTAMENTO DIPLOMATICO
PANAMÁ, *mayo 15 de 1943.*

D. P. Nº 5198

SEÑOR EMBAJADOR:

Tengo el agrado de referirme al Aide Memoire de este Ministerio, de 3 de marzo de 1942, en que se informó a esa Embajada que el Gobierno de Panamá deseaba participar del beneficio de la Ley Nº 375 del Congreso de los Estados Unidos, sobre la construcción de la carretera Interamericana, y que aceptaba asumir la tercera parte del costo total de dicha obra, en lo correspondiente a Panamá.

Por este medio vengo ahora a reiterar formalmente a Vuestra Excelencia que el Gobierno de Panamá asumirá la tercera parte de los gastos en que incurran los Estados Unidos en la medición y construcción del tramo de la Carretera Interamericana que vaya a construirse dentro de los límites de la República de Panamá de acuerdo con lo establecido en la ya mencionada Ley Nº 375. Este porcentaje ascendería a la suma de $2,200,000.00 aproximadamente de conformidad con lo que me ha expresado Vuestra Excelencia por medio del Memorandum Informal de esa Embajada, de 1º del presente mes de mayo.

Como en dicho Memorandum Informal se solicita indicación acerca de la funete específica de la cual han de provenir los fondos para el pago de esa tercera parte correspondiente a Panamá, informo a Vuestra Excelencia que es el propósito de mi Gobierno obtener un empréstito interno con ese objeto.

En esta forma está presto el Gobierno de la República de Panamá a aportar su concurso a la realización de esta obra de tanta trascendencia para la defensa y el futuro del Hemisferio.

Acepte Vuestra Excelencia las reiteradas seguridades de mi más alta y distinguida consideración,

OCTAVIO FÁBREGA
Ministro de Relaciones Exteriores

A su Excelencia el señor
DON EDWIN C. WILSON,
Embajador Extraordinario y Plenipotenciario de los Estados Unidos de América
Ciudad.

[Translation]

DEPARTMENT OF FOREIGN RELATIONS
DIPLOMATIC DIVISION
PANAMÁ, *May 15, 1943.*

D. P. No. 5198

MR. AMBASSADOR:

It gives me pleasure to refer to this Ministry's *aide-mémoire* of March 3, 1942 [2] informing the Embassy that the Government of Panama desired to avail itself of the benefits of law 375 of the Congress of the United States on the construction of the Inter-American Highway and that it agreed to assume one third of the total cost of said work in the Panamanian section.

By this means I now reiterate formally to Your Excellency that the Government of Panama will assume one third of the expenses incurred by the United States in the survey and construction of the section of the Inter-American Highway to be constructed within the limits of the Republic of Panama in accordance with the provisions of the above-mentioned law 375. This percentage will amount to the sum of $2,200,000.00 approximately in accordance with what Your Excellency told me in the Embassy's informal memorandum of May 1. [2]

Since in that informal memorandum an indication is requested regarding the specific source from which the funds will come for the payment of this one-third part corresponding to Panama, I inform Your Excellency that it is the plan of my Government to obtain an internal loan with this object in view.

In this form, the Government of the Republic of Panama is ready to contribute its share to the realization of this work of such importance to the defense and the future of the hemisphere.

Accept, Excellency, the reiterated assurances of my highest and most distinguished consideration.

OCTAVIO FÁBREGA
Minister of Foreign Relations

His Excellency
EDWIN C. WILSON,
Ambassador Extraordinary and Plenipotentiary of the United States of America
City.

The American Ambassador to the Panamanian Acting Minister of Foreign Relations

EMBASSY OF THE
UNITED STATES OF AMERICA
Panamá, June 7, 1943

No. 626

EXCELLENCY:

I have the honor to acknowledge the receipt of Note D. P. No. 5198 of May 15, 1943, in which His Excellency Señor Doctor Octavio Fábrega, Minister of Foreign Affairs, informed me that the Government of Panamá desired to avail itself of the cooperation of the Government of the United States in construction of the Inter-American Highway in Panamá, and offered the assurances required by Public Law 375 of December 26, 1941 [3] in connection with such cooperation.

I take pleasure in informing Your Excellency that the assurances offered in the kind note referred to are satisfactory to my Government. It is consequently the intention of my Government, as soon as Your Excellency's Government has completed the financial arrangements mentioned and subject to the appropriation of the necessary funds by the Congress of the United States, to extend to Your Excellency's Government the cooperation envisaged by the above-mentioned law. Your Excellency will recall that Public Law 375 provides that the surveying and construction work authorized by that act shall be under the administration of the Public Roads Administration. It is understood, therefore, that the pertinent Panamanian officials and the Public Roads Administration will seek to reach a subsidiary agreement regarding the administration of the contemplated work.

My Government is gratified that through this cooperative undertaking it will be possible to complete the Inter-American Highway to Panamá City. Transportation facilities will be improved, new lands and new natural resources developed, additional markets opened, and local economic conditions benefitted

[2] [Not printed.]
[3] [55 Stat. 860.]

through the useful expenditure of money which this project envisages. Both of our countries should happily profit therefrom. I sincerely trust that the highway will serve not only as a link to increase material intercourse between our nations but also as another bond in the close friendship which unites us.

Accept, Excellency, the renewed assurances of my highest consideration.

EDWIN C. WILSON.

His Excellency
Señor Doctor Don VÍCTOR F. GOYTÍA,
Acting Minister for Foreign Affairs.

B. NICARAGUA

The Nicaraguan Minister of Foreign Affairs to the Acting Secretary of State

LEGACION DE NICARAGUA
WASHINGTON, D. C.
No. 603 *April 8, 1942.*

SIR:

With reference to conversations which I have held with officials of the Government of the United States, I have the honor to inform you that my Government is desirous of securing the cooperation of the United States in the construction of the Inter-American Highway, envisaged in Public Law 375 of the Congress of the United States of December 26, 1941.[2]

In accordance with the terms of this Law, I therefore request in the name of my Government that the Government of the United States extend cooperation in the construction of the Inter-American Highway in Nicaragua. In this connection, I herewith give formal assurances that the Government of my country will assume one-third of the expenditures to be incurred subsequent to December 26, 1941 by the United States and Nicaragua in the survey and construction of the highway within the borders of Nicaragua.

On December 16, 1941 my Government secured a credit of $2,000,000 from the Export-Import Bank of Washington. A sum of $1,250,000 from this credit has been allocated toward my Government's share of the cost of the survey and construction of the Highway as defined above. In addition my Government is making available, as a contribution towards its share in the Project, roadbuilding equipment and materials which it now owns to a value of $250,000. In the event that these contributions should prove insufficient to pay my Government's share of the Project, it also agrees to contribute in due time an additional amount sufficient to fulfill the obligations which it has incurred under the assurances given in the preceding paragraph.

My Government is aware that the survey and construction work authorized by Public Law 375 is to be under the administration of the Public Roads Administration, Federal Works Agency. It is therefore the intention of the appropriate Nicaraguan authorities, following this exchange of notes, to reach a subsidiary agreement with that Administration to carry out this provision of the Law.

I trust that these assurances will be satisfactory to your Government for the purposes of the Law.

During the conversations which I have had with officials of the Government of the United States, careful consideration was given to the routing of the Inter-American Highway between Sebaco in Nicaragua and the Honduran frontier. It was generally agreed that in deciding this question there should be taken into account both the international character of the proposed road and the needs of Nicaragua's economy, with neither of these two factors being given exclusive weight. On this basis, it is the proposal of my Government that the Inter-American Highway between the points mentioned be constructed so as to pass through the towns of Matagalpa, Jinotega and Condega, with the definitive routing between those points subject to final survey.

I take pleasure in availing myself of this opportunity to present to you the assurances of my highest consideration.

MARIANO ARGÜELLO

The Honorable
SUMNER WELLES,
Acting Secretary of State of the United States

[2] [55 Stat. 860.]

The Acting Secretary of State to the Nicaraguan Minister of Foreign Affairs

DEPARTMENT OF STATE,
WASHINGTON
April 8, 1942

EXCELLENCY:

I have the honor to acknowledge receipt of Your Excellency's kind note of April 8, 1942 in which you requested the cooperation of the United States Government in the construction of the Inter-American Highway in Nicaragua.

I take pleasure in informing Your Excellency that the assurances which you offer meet the requirements of Public Law 375 of the Congress of the United States of December 26, 1941. It is consequently the intention of this Government, as soon as the subsidiary agreement which you mention has been concluded between the United States Public Roads Administration and the appropriate Nicaraguan officials, to extend to the Nicaraguan Government the cooperation envisaged in the above-mentioned Law, subject to the appropriation of the necessary funds by the Congress of the United States and to the receipt of the necessary assurances from the other Republics mentioned in the Law.

My Government has given careful consideration to the route proposed by Your Excellency's Government for the highway between Sebaco and the Honduran frontier and is in agreement therewith. Preliminary surveys have shown that a practicable route exists via Matagalpa, Jinotega, and Condega although in the case of Jinotega, it is indicated that the highway itself will pass somewhat to the north and east of the town, and a short approach road will be required.

My Government is gratified that through this cooperative undertaking it will be possible to complete the Inter-American Highway through Nicaragua. Transportation facilities will be improved, new lands and new natural resources developed, additional markets opened, and local economic conditions benefitted through the useful expenditure of money which this project envisages. Both of our countries should happily profit therefrom. I sincerely trust that the highway will serve not only as a link to increase material intercourse between our nations but also as another bond in the close friendship which unites us.

Accept, Excellency, the renewed assurances of my highest consideration.

SUMNER WELLES
Acting Secretary of State of the United States of America

His Excellency
Dr. MARIANO ARGUELLO,
Minister of Foreign Affairs of Nicaragua.

JUNE 15, 1950

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's note No. 277–J of May 25, 1950 in which you indicate that your Government is willing to agree to an amendment to those provisions of the notes dated April 8, 1942, exchanged between the Government of the United States and the Government of Nicaragua, which have reference to the proposed route to be followed by the Inter-American Highway between Sebaco, Nicaragua, and the eastern border of Honduras.

In the note of April 8, 1942 from Your Excellency's Government it was proposed that this section of the Inter-American Highway be constructed so as to pass through the towns of Matagalpa, Jinotega and Condega. In the Department's reply of April 8, 1942, it was indicated that my Government was in agreement with that proposal.

Subsequent discussions between representatives of our Governments have resulted in the conclusion that it would be more advantageous from a practical standpoint to construct the Inter-American Highway along a more direct route from Sebaco to the border of Honduras. My Government, therefore, is gratified to receive the approval of Your Excellency's Government, as expressed in the note under acknowledgment, to the proposed route of this section of the highway so as to pass through the towns of Esteli, Condega, Somoto and El Espino.

Since this change of route has been accepted by Your Excellency's Government, it is agreed that the current exchange of notes constitutes an amendment to the

original agreement contained in the above-mentioned exchange of notes dated April 8, 1942.

Accept, Excellency, the renewed assurances of my highest consideration.

For the Secretary of State:

/s/ EDWARD G. MILLER, JR.

His Excellency
Señor Dr. Don GUILLERMO SEVILLA SACASA
Ambassador of Nicaragua

[Translation]

EMBASSY OF NICARAGUA
WASHINGTON 9, D. C.
May 25, 1950

No. 277-J
EXCELLENCY:

In accordance with instructions from my Government, I have the honor to address Your Excellency in order to amplify the statements contained in my note No. 224-J of April 26 last and to refer to the important matter connected with the route of the Inter-American Highway through Nicaragua.

Your Excellency will recall that the Governments of the United States of America and of Nicaragua, through an exchange of notes signed on April 8, 1942, concluded an Agreement by which it was determined that between Sébaco and the border of Honduras, the aforesaid Highway would pass through Matagalpa, Jinotega, and Condega.

On the basis of the above-mentioned Agreement, my Government prepared and began to develop plans for the economic and social improvement of the regions adjacent to that part of the Highway. The towns through which it would pass received a great stimulus to their natural enthusiasm for this great work which has been and is an important point in my Government's Program. That section located in the northern part of Nicaragua contains great unexploited wealth, which has not been developed precisely because of the lack of ways of communication.

However, in view of the observations made on different occasions by distinguished officials of Your Excellency's Government, such as considerations of an economic and strategic order in favor of adopting a more direct route throughout the length of the Inter-American Highway, and in this specific case between Sébaco and the Honduran border, my Government is ready to accede gladly to those observations and to accept the more direct route suggested between those points, which would be a route leaving Sébaco and passing through Estelí, Somoto, and El Espino.

My Government cherishes the hope that its acceptance of such a change of route under the circumstances explained, which in turn will impose changes in the plans for domestic development mentioned above, may be interpreted as a gesture of cooperation and of unchanging solidarity with the common interests of hemisphere defense.

My Government trusts that, through its own resources and with the support of international credit facilities, it will find it possible to continue the Highway toward Jinotega in order to connect it with the Tuma River region, which represents a valuable reserve in Nicaraguan economy.

On the other hand, in view of the fact that in the plans for the economic development of Nicaragua marked importance is attached to the Inter-American Highway and its adjacent branch roads, among which it is fitting to point out the San Benito-Rama Road, contemplated in the Department of State's note of April 8, 1942 my country maintains the keenest interest in the continuation and completion of the said branch, since it represents a new and valuable element for continental defense and is eloquent proof of the traditional friendship, which is consantly becoming stronger, between the United States of America and Nicaragua. The highway to the Rama, as the aforesaid branch road is called, will facilitate the development of the great resources of the extensive region through which it passes, and will thus be reflected in an increase of our trade.

It is a pleasure for me to express to Your Excellency's Government the thanks of the Government and people of Nicaragua for the effective cooperation given to us in the construction of the Inter-American Highway and the road to the Rama.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration and esteem.

/s/ Guillermo Sevilla
GUILLERMO SEVILLA SACASA
Ambassador of Nicaragua.

His Excellency
DEAN ACHESON
Secretary of State
Washington, D. C.

C. COSTA RICA

The Costa Rican Minister of Public Works and Agriculture to the Secretary of State

LEGACIÓN DE COSTA RICA
EN WASHINGTON
January 16, 1942

MY DEAR MR. SECRETARY:

In accordance with the provisions of Public Law 375 of December 26, 1941 [3] which provides for the cooperation of the United States with the Central American republics in the construction of the Inter-American Highway, I hereby, fully authorized by my Government, beg to make formal request to participate in the cooperative plan of said construction.

In this connection I wish on behalf of my Government to offer the assurances required by the Law that, with a view to receiving the cooperation envisaged in the Law, it has made commitments to assume at least one-third of the expenditures to be incurred henceforth by it and by the United States in the survey and construction of the Highway within the borders of Costa Rica. To this end it has already concluded arrangements with the Export-Import Bank of Washington by which it has received a credit now amounting to $2,200,000 which, under its contract with the Bank, may not be expended, without the Bank's assent, for any purpose other than the construction of the Inter-American Highway. In addition, my Government owns road building equipment valued at several hundred thousand dollars which is being made available for the construction of the Inter-American Highway and which will substantially increase the contribution of my Government to the construction of the Highway.

I trust that these facts will constitute ample assurance that my Government has made the commitments envisaged in the law to assume at least one-third of the expenditures which are proposed to be incurred henceforth by Costa Rica and by the United States in the completion of the survey and construction of the Inter-American Highway in Costa Rica in accordance with present proposals.

I take pleasure in enclosing herewith the proper credentials.

With my highest regard, I beg to remain, my dear Mr. Secretary,

Very sincerely yours,

ALFREDO VOLIO
Secretario de Fomento y Agricultura de Costa Rica

Enclosure:
Credentials.

Hon. CORDELL HULL
Secretary of State
Washington, D. C.

The Secretary of State to the Costa Rican Minister of Public Works and Agriculture

DEPARTMENT OF STATE
WASHINGTON
Jan 16 1942

MY DEAR MR. MINISTER:

I wish to acknowledge receipt of your kind note of January 16, 1942, in which, duly authorized by your Government, you request the cooperation of the Government of the United States in the construction of the Inter-American Highway in

[3] [55 Stat. 860.]

Costa Rica, and in which you offer the assurances required by Public Law 375 of December 26, 1941 in connection with such cooperation.

I take pleasure in informing you that the assurances which you offer are satisfactory to this Government. It is consequently the intention of this Government to extend to the Costa Rican Government the cooperation envisaged in the Law, subject to the appropriation of the necessary funds by the Congress of the United States and to the receipt of the necessary assurances from the other Republics mentioned in the Law.

You are, of course, aware that by the terms of the Law the survey and construction work it authorizes shall be under the administration of the Public Roads Administration, Federal Works Agency. It is understood that you are now making a subsidiary agreement with the Administration to carry out this provision of the Law.

I wish to thank you for your courtesy in forwarding your credentials to me.

I am, my dear Mr. Minister,

Sincerely yours,

CORDELL HULL

His Excellency
ALFREDO VOLIO,
Minister of Public Works and Agriculture of Costa Rica.

D. HONDURAS

The Honduran Minister to the Secretary of State

LEGACIÓN DE HONDURAS
WASHINGTON, D. C.
Septiembre 9, 1942.

SEÑOR SECRETARIO DE ESTADO:

Por la presente tengo el honor de ratificar los términos de mis conversaciones anteriores con referencia a la participación de mi Gobierno en la construcción de la Carretera Interamericana. En tal virtud, séame permitido referirme a la Ley Número 375 de 26 de Diciembre de 1941, que provee la cooperación de los Estados Unidos de América con los Gobiernos de las Repúblicas de Centro América, para la construcción de la mencionada Carretera Interamericana, y de que solicite, en cumplimiento de instrucciones y especial autorización de mi Gobierno, que las disposiciones de cooperación de la mencionada Ley se hagan extensivas a la República de Honduras. Para presentar las garantías que dicha Ley requiere, y a fin de recibir la cooperación provista en dicha Ley, mi Gobierno ha hecho arreglos para asumir una tercera parte a lo menos de los gastos en que incurran él mismo y el Gobierno de los Estados Unidos en el trazo y construcción de la Carretera, dentro de las fronteras de Honduras.

Con ese objeto, mi Gobierno ha negociado, de acuerdo con el Decreto número 52 del Congreso Nacional de Honduras, de fecha 11 de Febrero de 1942, ratificado por el Poder Ejecutivo el 18 de Febrero del mismo año, y de conformidad con las facultades y disposiciones del Decreto Legislativo Número 69 de 5 de Marzo de 1942, publicado en la Gaceta número 11652 de 10 de Marzo de 1942, y lo someterá, tan luego como sea posible a la ratificación del Congreso Nacional, un Contrato con el Export-Import Bank de Washington para un Crédito de Un Millón de Dólares que, según los términos de dicho Contrato, no se invertirá sin el consentimiento del Banco, y para ningún otro propósito que no sea el de la construcción de la Carretera Interamericana; habiendo tomado nota de la disposición de que, según los términos de la Ley Número 375, el trazo y trabajo de construcción que dicha Ley autoriza, estarán bajo la administración de la Public Roads Administration, Federal Works Agency, y que se están haciendo los arreglos subsidiarios con la Public Works Administration para la realización del contrato de referencia.

Al dejar bajo la elevada consideración de Vuestra Excelencia lo anteriormente expuesto, aprovecho la oportunidad para renovar el testimonio de mi más alta y distinguida consideración.

JULIÁN R. CÁCERES

Excelentísimo Señor CORDELL HULL,
Secretario de Estado de los Estados Unidos,
Washington, D. C.

[Translation]

LEGATION OF HONDURAS,
WASHINGTON, D. C.
September 9, 1942.

MR. SECRETARY OF STATE:

I have the honor hereby to confirm the terms of my previous conversations with reference to my Government's share in the construction of the Inter-American Highway. Accordingly, may I be permitted to refer to Law No. 375 of December 26, 1941,[2] which provides for the cooperation of the United States of America with the Governments of the Republics of Central America for the construction of the above-mentioned Inter-American Highway, and to request, in execution of instructions and special authorization from my Government, that the cooperative provisions of the said law be extended to include the Republic of Honduras. To present the guaranties which the said law requires and in order to receive the cooperation provided for in the said law, my Government has made arrangements to assume at least one third of the expenses incurred by it and the United States Government in the tracing and construction of the Highway within the boundaries of Honduras.

To this end my Government, in accordance with Decree No. 52 of February 11, 1942 of the National Congress of Honduras, approved by the Executive Power February 18 of the same year, and in accordance with the powers and provisions of Legislative Decree No. 69 of March 5, 1942, published in the *Gaceta* no. 11652 of March 10, 1942, has negotiated, and will submit, as soon as possible, for approval by the National Congress, a contract with the Export-Import Bank of Washington for a credit of one million dollars, which, according to the terms of the said contract, shall not be invested without the consent of the bank or for any purpose other than the construction of the Inter-American Highway—note having been taken of the provision that, under the terms of Law No. 375, the tracing and work of construction which the law authorizes shall be under the direction of the Public Roads Administration, Federal Works Agency, and that subsidiary arrangements are being made with the Public Works Administration for the carrying out of the contract in question.

While submitting what is above set forth to Your Excellency's high consideration, I avail myself of the opportunity to renew the assurances of my highest and most distinguished consideration.

JULIÁN R. CÁCERES

His Excellency
CORDELL HULL,
Secretary of State of the United States,
Washington, D. C.

The Secretary of State to the Honduran Minister

DEPARTMENT OF STATE
Washington
October 26, 1942

SIR:

I have the honor to acknowledge receipt of your kind note of September 9, 1942, in which you, under the instructions and with the authorization of your Government, requested the cooperation of the Government of the United States in the construction of the Inter-American Highway in Honduras, and offered the assurances required by Public Law 375 of December 26, 1941 in connection with such cooperation.

I take pleasure in informing you that the assurances which you offered are satisfactory to this Government. It is consequently the intention of this Government to extend to the Honduran Government the cooperation envisaged by the law, subject to the ratification by the Honduran Congress of the contract mentioned in your note. I understand that the Honduran Congress is to convene December 5, and that the loan contract will be presented to it for ratification immediately thereafter.

As your note indicates, the survey and construction work authorized by the law shall be under the administration of the Public Roads Administration,

[2] [55 Stat. 860.]

Federal Works Agency. It is understood that the competent Honduran authorities will make a subsidiary agreement with the Administration to carry out this provision of the law.

I am much gratified at the prospect that through this cooperative undertaking it will be possible to complete the Inter-American Highway through Honduras. Transportation facilities will be improved, new lands and new natural resources developed, additional markets opened, and local economic conditions benefited through the useful expenditure of money which this project envisages. Both of our countries should happily profit therefrom. I sincerely trust that the Highway will serve not only as a link to increase material intercourse between our nations but also as another bond in the close friendship which unites us.

Accept, Sir, the renewed assurances of my highest consideration.

For the Secretary of State:

SUMNER WELLES

The Honorable
Señor Dr. Don JULIAN R. CACERES,
Minister of Honduras.

E. EL SALVADOR

The Salvadoran Chargé d'Affaires ad interim to the Secretary of State

LEGACIÓN DE EL SALVADOR
WASHINGTON
Enero 30 de 1942.

SEÑOR SECRETARIO DE ESTADO:

Cumpliendo instrucciones que he recibido de mi Gobierno, tengo el honor de solicitar la bondadosa cooperación de Vuestra Excelencia en la siguiente materia:

La Ley Pública No. 375 aprobada por el Senado y la Cámara de Representantes de los Estados Unidos de América, asigna una cantidad no mayor de veinte millones de dólares ($20,000.000) para cooperar con los Gobiernos de las Repúblicas Centro-Americanas en el estudio y construcción de la Carretera Panamericana. El Gobierno de El Salvador, después de haber firmado el contrato de préstamo respectivo con el Export-Import Bank of Washington, está listo para continuar los trabajos de la Carretera Panamericana, que se encuentran ya bastante avanzados, habiendo aprobado para tal efecto la Asamblea Nacional Legislativa, mediante el Decreto No. 109, publicado en el Diario Oficial de fecha 24 de diciembre último, un presupuesto extraordinario que asciende a la cantidad de un millón de Colones (¢1,000 000) para el financiamiento de la construcción de una tercera parte de lo que queda por construir del tramo de la Carretera Panamericana correspondiente a El Salvador.

Mi Gobierno se permite solicitar del Gobierno de los Estados Unidos de América de la manera más atenta, que autorice a la Oficina del Public Roads Administration Federal Work Agency, para dar los pasos necesarios que harán efectiva la cooperación contemplada en la Ley Pública No. 375 antes mencionada, en lo que se refiere a El Salvador.

Me permito acompañar con la presente nota, dos copias autenticadas del Decreto Legislativo No. 109 que he mencionado antes.

Agradezco de antemano la bondadosa consideración que Vuestra Excelencia tenga a bien prestar a esta materia.

Muy gustoso aprovecho esta nueva oportunidad para reiterar a Vuestra Excelencia las seguridades de mi mas alta consideración,

C A ALFARO
Encargado de Negocios ad-interim de El Salvador.

DE–45 y anexos
A–815.4

Excelentísimo Señor CORDELL HULL,
Secretario de Estado,
Washington, D. C.

[Translation]

LEGATION OF EL SALVADOR
WASHINGTON
January 30, 1942.

MR. SECRETARY OF STATE:

Complying with instructions received from my Government, I have the honor to request Your Excellency's kind cooperation in the following matter:

Public Act No. 375,[2] approved by the Senate and House of Representatives of the United States of America, assigns a sum not greater than twenty million dollars ($20,000,000) for cooperating with the Governments of the Central American republics in the study and building of the Pan American Highway. The Government of El Salvador, after having signed the corresponding loan contract with the Export-Import Bank of Washington, is ready to continue work on the Pan American Highway, which is already quite well advanced, the National Legislative Assembly having approved for that purpose by Decree No. 109, published in the *Diario Oficial* of December 24 last, an extraordinary budget amounting to the sum of one million *colones* ($1,000,000) for the financing of the building of one third of what remains to be built of the section of the Pan American Highway belonging to El Salvador.

My Government takes the liberty of most courteously requesting the Government of the United States of America to authorize the Office of Public Roads Administration, Federal Works Agency, to take the steps necessary to render effective, so far as El Salvador is concerned, the cooperation contemplated in Public Act No. 375 mentioned above.

I take the liberty of enclosing with this note two certified copies of Legislative Decree No. 109, mentioned above.

I thank you in advance for the courteous consideration which Your Excellency may be pleased to give this matter.

I take great pleasure in availing myself of this new opportunity to repeat to Your Excellency the assurances of my highest consideration.

C. A. ALFARO
Chargé d'Affaires ad interim of El Salvador

DE–45 and enclosures
A–815.4
His Excellency
CORDELL HULL,
Secretary of State,
Washington, D. C.

The Secretary of State to the Salvadoran Minister

DEPARTMENT OF STATE
WASHINGTON
February 13, 1942

SIR:

I have the honor to acknowledge receipt of your Legation's kind note of January 30, 1942 in which the cooperation of the Government of the United States was requested in the construction of the Inter-American Highway in El Salvador, and the assurances required by Public Law 375 of December 26, 1941 were offered in connection with such cooperation.

I take pleasure in informing you that the assurances offered are satisfactory to this Government. It is consequently the intention of this Government to extend to the Salvadoran Government the cooperation envisaged in the Law, subject to the appropriation of the necessary funds by the Congress of the United States and to the receipt of the necessary assurances from the other Republics mentioned in the Law.

You are, of course, aware that by the terms of the Law the survey and construction work which it authorizes shall be under the administration of the Public Roads Administration, Federal Works Agency. It is understood that the competent Salvadoran authorities are now making a subsidiary agreement with the Administration to carry out this provision of the Law.

I am much gratified at the prospect that through this cooperative undertaking it will be possible to complete the Inter-American Highway through El Salvador.

[2] [55 Stat. 860.]

Transportation facilities will be improved, new lands and new natural resources developed, additional markets opened, and local economic conditions benefitted through the useful expenditure of money which this project envisages. Both of our countries should happily profit therefrom. I sincerely trust that the Highway will serve not only as a link to increase material intercourse between our nations but also as another bond in the close friendship which unites us.

Accept, Sir, the renewed assurances of my highest consideration.

For the Secretary of State:

SUMNER WELLES

The Honorable
Señor Dr. Don HECTOR DAVID CASTRO,
Minister of El Salvador.

F. GUATEMALA

The Guatemalan Minister of Foreign Affairs to the American Ambassador

SECRETARIA DE RELACIONES EXTERIORES
REPUBLIC DE GUATEMALA
SECCIÓN DIPLOMÁTICA

No. 6756
693 73–0)

GUATEMALA, *19 de mayo de 1943.*

SEÑOR EMBAJADOR:

Tengo el honor de referirme a la atenta nota número 32 de la Honorable Legación de los Estados Unidos del 16 de febrero de 1942, en la cual se me llama la atención hacia las estipulaciones de la ley pública 375 de los Estados Unidos, del 26 de diciembre de 1941, que provee la cooperación de los Estados Unidos con las Repúblicas centroamericanas para la construcción de la carretera interamericana.

Aunque ya hay camino continuo a través de Guatemala, se ha informado a mi Gobierno que es muy de desearse el mejoramiento de algunas secciones de esa vía, para que se ajuste a los tipos de construcción considerados para la carretera interamericana. Por eso, desea mi Gobierno pedir la cooperación del Gobierno de los Estados Unidos, conforme a las provisiones de esa ley, de acuerdo con los siguientes términos:

1) El Gobierno de la República de Guatemala acepta gustoso que ingenieros designados por los dos Gobiernos expresen conjuntamente, previo el estudio que tengan por conveniente, cuáles son las reformas que deben hacerse en cada sección de la vía panamericana que el Gobierno de Guatemala ha construído. Mi Gobierno asumiría la obligación de pagar la tercera parte del costo de la obra, siempre que dicha obra se ejecute acomodándola a las cantidades que el presupuesto de la República determine y fije para cada año fiscal.

2) El Gobierno de Guatemala, teniendo presente su situación fiscal y las sumas acordadas por la Asamblea Legislativa para el mejoramiento de la carretera, pedirá la cooperación del Gobierno de los Estados Unidos para realizar ese mejoramiento de las secciones de la carretera.

3) El Gobierno de Guatemala acepta muy agradecido el aporte del Gobierno de los Estados Unidos consistente en el doble de la cantidad consignada en el presupuesto fiscal de la República de Guatemala para el mejoramiento de la carretera interamericana.

La administración de Caminos Públicos de los Estados Unidos tendrá el derecho de hacer inspeccionar, por medio de delegados, las obras de mejora y perfeccionamiento de la carretera y la exacta inversion de los fondos destinados para ese efecto.

La intervención técnica y la acción fiscalizadora de control de fondos, la ejercerá la Administración de Caminos Públicos de los Estados Unidos, por medio de sus delegados. Al Gobierno de Guatemala le será muy grato que el Departamento de Estado de los Estados Unidos intervenga en cualquiera de las negociaciones que hayan de llevarse a término con la Republica de Guatemala, quien está, desde luego, anuente en cooperar con los propósitos de la ley 375, en la forma que ha quedado expresado, en atención a las circunstancias especiales de la carretera que Guatemala ha construído a su propio costo, y siempre le será grato que tales negociaciones se lleven a término por conducto del Departamento de Estado.

Muchо agradeceré que Vuestra Excelencia me informe si su Gobierno estaría dispuesto a otorgar en estos términos su cooperación.

Sírvase aceptar, señor Embajador, las renovadas seguridades de mi más alta y distinguida consideración,

CARLOS SALAZAR.

Excelentísimo señor BOAZ LONG,
Embajador Extraordinario y Plenipotenciario
de los Estados Unidos,
Ciudad.

[Translation]

MINISTRY OF FOREIGN RELATIONS
REPUBLIC OF GUATEMALA
DIPLOMATIC SECTION

No. 6756
693 (73–0)

GUATEMALA, *May 19, 1943.*

MR. AMBASSADOR:

I have the honor to refer to the kind note no. 32 of the Legation of the United States of February 16, 1942,[2] in which my attention is called to the provisions of public law no. 375 of the United States of December 26, 1941,[3] which provides for the cooperation of the United States with the Central American Republics for the construction of the Inter-American Highway.

Although there is already a continuous road across Guatemala, my Government has been informed that the improvement of certain sections of that road is very desirable, in order that it may conform to the types of construction considered for the Inter-American Highway. Accordingly, my Government desires to request the cooperation of the United States Government, under the provisions of the said law, in accordance with the following terms:

(1) The Government of the Republic of Guatemala agrees with pleasure that engineers designated by the two Governments should express jointly, after such study as they may deem proper, what are the changes which should be made in each section of the Pan American Highway that the Government of Guatemala has built. My Government would assume the obligation to pay one third of the cost of the work, provided that the execution of the said work is accommodated to the sums determined and fixed by the budget of the Republic for each fiscal year.

(2) The Government of Guatemala, bearing in mind its fiscal situation and the sums allowed by the Legislative Assembly for the improvement of the highway, will ask the cooperation of the United States Government to accomplish this improvement of the sections of the highway.

(3) The Government of Guatemala accepts very gratefully the contribution of the United States consisting of double the amount allocated in the fiscal budget of the Republic of Guatemala to the improvement of the Inter-American Highway.

The United States Public Roads Administration will have the right to make inspections, through delegates, of the works for improving and perfecting the highway and the exact investment of the funds allocated for that purpose.

The technical intervention and the supervisory action of control of funds will be exercised by the United States Public Roads Administration through its delegates. The Government of Guatemala will be very much pleased to have the Department of State intervene in any of the negotiations which are to be carried out with the Republic of Guatemala, which is, it goes without saying, agreeable to cooperating with the purposes of law 375, in the way that has been stated, in view of the special circumstances of the highway which Guatemala has built at its own expense, and it will always be glad to have such negotiations carried out through the Department of State.

I shall be very grateful if Your Excellency would inform me whether your Government would be disposed to grant its cooperation on these terms.

Please accept, Mr. Ambassador, the renewed assurances of my highest and most distinguished consideration.

CARLOS SALAZAR.

His Excellency
BOAZ LONG,
Ambassador Extraordinary and Plenipotentiary
of the United States,
City.

---

[2] [Not printed.]
[3] [55 Stat. 860.]

The American Ambassador to the Guatemalan Minister of Foreign Affairs [4]

EMBASSY OF THE
UNITED STATES OF AMERICA
Guatemala, May 19, 1943.

No. 150

EXCELLENCY:

I have the honor to acknowledge the receipt of Your Excellency's kind Note No. 6756 of May 19, 1943, in which you request the cooperation of the United States in the improvement of the Inter-American Highway in Guatemala and in which you propose a basis upon which the cooperation of my Government might be extended within the provisions of Public Law 375 of December 26, 1941.

The basis of cooperation proposed by Your Excellency is satisfactory to my Government, and it will be pleased to cooperate on this basis in such survey and construction work as may jointly be deemed desirable for the improvement of the Guatemalan section of the Inter-American Highway, subject to the appropriation of the necessary funds by the Congress of the United States.

I am much gratified at the prospect that through this cooperative undertaking it will be possible to improve the Guatemalan Section of the Inter-American Highway. Transportation facilities will be improved, new lands and new natural resources developed, additional markets opened, and local economic conditions benefited through the useful expenditure of money which this project envisages. I sincerely trust that the Highway will serve not only as a link to increase material intercourse between our nations but also as another bond in the close friendship which unites us.

Please accept, Excellency, the renewed assurances of my highest consideration.

BOAZ LONG.

HISTORY OF THE PAN AMERICAN HIGHWAY

A. 1889, ORIGINAL SUGGESTION FOR A RAILROAD

(First Conference of American States)

The original suggestion for an overland facility to connect the American nations was made as early as 1889 at the First Conference of American States. It took the form of a proposal for a single railroad route to connect all of the countries of the Americas. The idea was approved, commissioners were appointed, and surveys were made, but the project never reached the construction stage.

B. 1923, FIRST OFFICIAL SUGGESTION FOR A HIGHWAY

(Fifth International Conference of American States)

The first official suggestion for the Pan American Highway was made in 1923 at the Fifth International Conference of American States held in Santiago, Chile. A resolution was adopted at this Conference as follows:

That there be convened at a date and place to be determined by the governing board of the Pan American Union a conference on automobile highways to study measures best adapted to developing an efficient program for the construction of automobile highways within the different countries of America and between these different countries.

[4] Note to His Excellency Licenciado Carlos Salazar, Minister of Foreign Affairs of the Republic of Guatemala.

C. 1925, PAN AMERICAN CONGRESS OF HIGHWAYS BECAME A PERMANENT INSTITUTION

(First Pan American Congress of Highways)

The First Pan American Congress of Highways was held in Buenos Aires in 1925 and as a result, the Pan American Congress of Highways was made a permanent institution.

D. 1928, FIRST DIRECT ACTION LOOKING TOWARD CONSTRUCTION OF THE PAN AMERICAN HIGHWAY

(Sixth International Conference of American States)

The Sixth International Conference of American States was held at Habana, Cuba, in 1928. It passed the following resolution:

To recommend to the Pan American Congress of Highways * * * the consideration and adoption of agreements looking to the construction of a road of longitudinal communication across the continent, taking up and deciding all questions relative to studies, route, branch connections, technical and economic cooperation of the different countries, and all other matters involved in the solution of such problems.

The Pan American Union shall be charged with the assembling of informative data and with the preparation of projects that may lead to the most efficient carrying out of the present resolution, bringing them in due time to the notice of the Pan American Congress of Highways above referred to.

In addition, this resolution was passed by the Conference:

To give its full approval to the initiative for the building of an inter-American highway and to recommend to all governments, members of the Pan American Union, that they cooperate insofar as possible in the prompt realization of the said project.

E. 1929, CONGRESS AUTHORIZED FUNDS FOR A SURVEY OF THE PROPOSED ROUTE

Congress passed a joint resolution which was approved on March 4, 1929 (45 Stat. 1697), authorizing the appropriation of $50,000 to enable the Secretary of State to cooperate with the members of the Pan American Union in furthering the building of an inter-American highway or highways.[5] The resolution reads, in part, as follows:

That there is hereby authorized to be appropriated * * * the sum of $50,000 to enable the Secretary of State to cooperate with the several governments, members of the Pan American Union * * * in the reconnaissance surveys to develop the facts and to report to Congress as to the feasibility of possible routes, the probable cost, the economic service and also other information as will be pertinent to the building of an inter-American highway or highways. * * *

F. 1929, GENERAL PLAN FOR PROCEEDING WITH CONSTRUCTION OF THE PAN AMERICAN HIGHWAY

(Second Pan American Congress of Highways)

In accordance with resolutions passed by the Sixth International Conference of American States in 1928, a preliminary report of the proposed Pan American Highway was made by the Pan American

[5] The $50,000 authorized by this legislation was appropriated for in the budget of the State Department for fiscal year 1930 (46 Stat. 115).

Union to the Second Pan American Congress of Highways. This report was considered a general plan for proceeding with the highway. Among the conclusions reached by the second congress was the following:

> The Congress considers it indispensable, in order to realize the objectives of the Pan American Union and for the efficient and economic development of the roads; that every country should prepare a complete study of its highway-system plan, in order to meet the needs of intercommunication of its political subdivisions, and to provide the most convenient junction with the highway system of the neighbor countries.

G. 1928, PLANS FOR THE INTER-AMERICAN HIGHWAY CONSIDERED SEPARATELY

(First Inter-American Highway Congress)

At the invitation of the Republic of Panama the First Inter-American Highway Congress met in Panama in 1929. The meeting was attended by delegates from Costa Rica, Guatemala, Honduras, Nicaragua, Panama, El Salvador, and the United States. Among the resolutions adopted was this:

> To recommend to the Pan American Union that it in turn recommend to each of the countries between Panama and the United States that within a period of 5 years they construct a road suitable for vehicular transit between the two countries.

H. 1930–33, RECONNAISSANCE SURVEY IN CENTRAL AMERICA BY THE UNITED STATES BUREAU OF PUBLIC ROADS

Pursuant to the afore-mentioned legislation, between the years 1930 and 1933, the Bureau of Public Roads made a reconnaissance survey for a highway between the Republic of Panama and the United States. The report of this survey was transmitted to Congress and printed as a Senate Document (proposed Inter-American Highway, S. Doc. 224, 73d Cong.).

In connection with the survey, two conferences were held with representatives of the countries included in the proposed survey. These conferences endorsed the proposal and set up a commission to aid in carrying out of the survey and to act as an advisory body before the several governments.

Throughout the reconnaissance, effort was made to meet local requirements in connection with determining the routes of the proposed highway. Consideration was also given to the location of existing facilities in the various countries.

The report outlined the route of the proposed Inter-American Highway. It indicated the length of the highway from Panama City, Panama to Nuevo Laredo in Mexico, across the Rio Grande from Laredo, Tex. It was determined that 1,265 miles, of the total of 3,247 miles of highway, were passable in all weather conditions. It was further discovered that 1,427 miles were passable only in dry weather, 555 miles were merely trails, and that 262 miles were under construction. It was estimated that the road would cost anywhere from 30 to 100 million dollars to complete, depending on the type of construction.

I. 1934, THE CONGRESS APPROPRIATED FUNDS FOR CONSTRUCTION ON THE INTER-AMERICAN HIGHWAY

In 1934, the Congress made available an initial construction fund of $1,000,000 (48 Stat. 1042)—

> To meet such expenses as the President in his discretion may deem necessary to enable the United States to cooperate with the several governments, members of the Pan American Union, in connection with the survey and construction of the proposed Inter-American Highway * * *.

This sum was "to remain available until expended." It was used largely for demonstration purposes, to build bridges and sections of highway to demonstrate the possibilities of modern road and bridge construction. This fund was practically exhausted in 1939.

J. 1936, FIRST SECTION OF THE INTER-AMERICAN HIGHWAY OPENED

In 1936, the Mexican Government opened a paved road all the way from Laredo, Tex., to Mexico City, a distance of 762 miles.

K. 1936–37, FORMAL RATIFICATION OF THE PAN AMERICAN HIGHWAY CONVENTION

(Conference for Consolidation of Peace)

At the Conference for Consolidation of Peace, held in Buenos Aires in 1936, the United States became a signatory to the Pan American Highway convention. This action formally recorded our adherence to the substance of the original action taken in 1923 to promote construction of the Pan American Highway. The conference was referred to the Senate, confirmed by that body, and proclaimed by the President on September 16, 1937 (51 Stat. 152). Article I of the convention reads:

> The High Contracting Parties agree to collaborate, with all diligence and by all adequate means, in the speedy completion of the Pan American Highway, which will permit at all times the transit of motor vehicles.

L. 1939, COMPLETION OF PAN AMERICAN HIGHWAY URGED

(First Meeting of the Ministers of Foreign Affairs of the American Republics)

The first meeting of the Ministers of Foreign Affairs of the American Republics was held in Panama in 1939. This meeting recommended that every effort be made by the individual countries to complete their respective sections of the Pan American Highway.

M. 1941, CONGRESS AUTHORIZED $20,000,000 FOR CONSTRUCTION ON THE INTER-AMERICAN HIGHWAY

In December 1941 the United States Congress authorized $20,000,000 to be used to close the gaps in the Inter-American Highway (55 Stat. 860). In part the act reads:

> That there is hereby authorized to be appropriated the sum not to exceed $20,000,000 to enable the United States to cooperate with the * * * Governments of the Republics of Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama in the survey and construction of the proposed Inter-American Highway within the borders of the aforesaid Republics. Expenditures of such sums in any such country shall be subject to the receipt of a request

therefor and of satisfactory assurances from the government of that country that appropriate commitments have been made by such government to assume at least one-third of the expenditures proposed to be incurred. * * *

The survey and construction work authorized by this Act shall be under the administration of the Public Roads Administration * * *.

The entire $20,000,000 has been appropriated and work has continued uninterrupted. According to the Bureau of Public Roads, funds provided under this act, however, will be exhausted by the end of the current year.

N. 1942–43, WORK OF THE UNITED STATES ARMY ENGINEERS

Because of strategic needs, the United States Army engineers, in June 1942, with War Department funds, began work designed to make the Inter-American Highway passable for military vehicles all the way from the United States to Panama. The project was terminated in September 30, 1943, as it was determined that the military need was no longer pressing. During its 15 months of activity, the Army had claimed to make passable about 600 miles of the highway. When it stopped work, the Army said that approximately 233 miles of road in Costa Rica and Panama remained to be constructed. The total cost of the work performed by the Army engineers was $35,773,232. The War Department estimated that an additional $27,000,000 would be required to complete the project as planned by the Army.

Since the war, there has been much unofficial comment as to the accuracy of the Army's statement.

O. 1943 $12,000,000 APPROPRIATED FOR SPECIAL WORK IN COSTA RICA

Congress made a special appropriation of $12,000,000 in 1943, for extraordinarily heavy work in Costa Rica (57 Stat. 540). Costa Rica was not required to pay one-third of the costs of the work for which the appropriation was made as such a contribution would have been beyond the reasonable capacity of that country to bear. This appropriation has been entirely exhausted.

P. 1950, INTER-AMERICAN HIGHWAY OPENED TO GUATEMALA

On May 5, 1950, the Inter-American Highway was officially opened from the United States border to El Ocotal on the Guatemalan frontier, a distance of 1,618 miles. On the same date, the Christopher Columbus Highway was opened by the Mexican Government. This latter facility runs from Ciudad Juarez, across the border from El Paso, Tex., to Mexico City, where it connects with the Inter-American Highway. The distance from El Paso to El Ocotal is 2,174 miles.

TABLE I.—*Summary of mileage of the Pan American Highway, as of May 20, 1950*

	Total	All weather	Dry weather	Impassable
Mexico	1,618	1,618		
Guatemala	334	309		25
El Salvador	195	195		
Honduras	94	94		
Nicaragua	253	253		
Costa Rica	413	172	42	199
Panama [1]	551	351		200
Venezuela	729	729		
Colombia	1,539	1,508		31
Ecuador	684	634	50	
Peru	1,928	1,908	20	
Chile	1,646	1,646		
Bolivia	685	185	500	
Argentina	3,014	2,001	1,013	
Paraguay	89	84	5	
Uruguay	470	394	76	
Brazil	1,396	1,319	77	
Total	15,638	13,400	1,783	455

[1] Of the total mileage in Panama, 316 miles are on the North American side of the Panama Canal and 235 miles are on the South American side. Of the impassable route, 15 miles are on the North American side of the Canal and 185 miles are on the South American side.

Data supplied by U. S. Bureau of Public Roads and Pan American Union.

TABLE II.—*Appropriations for the Inter-American Highway, as of May 20, 1950*

Direct appropriations for the Inter-American Highway			Administrative funds authorized from appropriations for Federal-aid highways		
Date approved	Citation	Amount	Date approved	Citation	Amount
Mar. 26, 1930	46 Stat. 115	$50,000	Mar. 5, 1938	52 Stat. 88	$34,000
June 18, 1934	48 Stat. 996	75,000	Aug. 9, 1939	53 Stat. 1305	40,000
June 19, 1934	48 Stat. 1042	1,000,000	Apr. 18, 1940	54 Stat. 129	75,000
June 25, 1938	52 Stat. 1146	50,000	Apr. 5, 1941	55 Stat. 109	100,000
Feb. 21, 1942	56 Stat. 101	7,000,000	June 27, 1942	56 Stat. 409	100,000
June 26, 1943	57 Stat. 180	5,000,000	June 26, 1943	57 Stat. 179	100,000
July 12, 1943	57 Stat. 540	12,000,000	June 27, 1944	58 Stat. 370	100,000
June 27, 1944	58 Stat. 370	2,000,000	May 3, 1945	59 Stat. 117	100,000
May 3, 1945	59 Stat. 117	1,000,000	Mar. 28, 1946	60 Stat. 69	100,000
Mar. 28, 1946	60 Stat. 69	5,000,000	July 30, 1947	61 Stat. 596	100,000
			Apr. 20, 1948	62 Stat. 185	100,000
			Aug. 24, 1949	Public Law 266, 81st Cong.	100,000
Total		33,175,000	Total		1,049,000

TABLE III.—*Estimated expenditures of United States funds appropriated to the Bureau of Public Roads or to the State Department for construction on the Inter-American Highway*

Country	Expenditures by Bureau of Public Roads under $1,100,000 appropriation to State Department	Estimated expenditures by Bureau of Public Roads when $20,000,000 fund is spent	Estimated expenditures by Bureau of Public Roads when $12,000,000 fund for Costa Rica is spent	Estimated additional expenditures by Bureau of Public Roads to complete Inter-American Highway	Total
Guatemala	$240,892	$6,490,060		$13,035,991	$19,766,943
El Salvador		1,471,075		532,490	2,003,565
Honduras	315,911	2,217,436		3,892,340	6,425,687
Nicaragua	197,280	3,190,737		6,053,465	9,441,482
Costa Rica	55,121	6,057,410	$12,000,000	27,449,650	45,562,181
Panama	279,453	573,282		14,329,064	15,181,799
State Department	11,343				11,343
Total	1,100,000	20,050,000	12,000,000	65,293,000	98,393,000

Supplied by Bureau of Public Roads.

TABLE IV.—*Estimated expenditures of the Central American Republics on the Inter-American Highway*

Country	Expenditures by Republics under $1,100,000 appropriations to State Department	Expenditures reported by Republics prior to December 1941 (exclusive of cooperative expenditures)	Estimated expenditures by Republics when $20,000,000 fund is spent	Estimated additional expenditures by Republics to complete highway	Total
Guatemala	$132,161	$3,137,745	$3,000,000	$6,267,335	$12,537,241
El Salvador		3,790,227	680,000	256,000	4,726,227
Honduras	231,978	154,301	1,025,000	1,871,330	3,282,609
Nicaragua	81,700	2,552,682	1,474,900	2,910,335	7,019,617
Costa Rica	57,740	2,815,210	2,800,000		5,672,950
Panama	163,894	[1] 12,254,832	265,000	6,889,000	19,572,726
Total	667,473	24,704,997	9,244,900	18,194,000	52,811,370

[1] Includes expenditures to December 1942.

Supplied by Bureau of Public Roads.

TABLE V.—*Condition of Inter-American Highway*

MILES

	Paved	All weather	Dry weather	Impassable	Total
Mexico	1,450	168	0	0	1,618
Guatemala	38	271	0	25	334
El Salvador	170	25	0	0	195
Honduras	0	94	0	0	94
Nicaragua	101	152	0	0	253
Costa Rica	60	112	42	199	413
Panama	155	146	0	15	316
Total	1,974	968	42	239	3,223
Percent	61	30	1	8	100
WITHOUT MEXICO					
Total	524	800	42	239	1,605
Percent	33	50	2	15	100

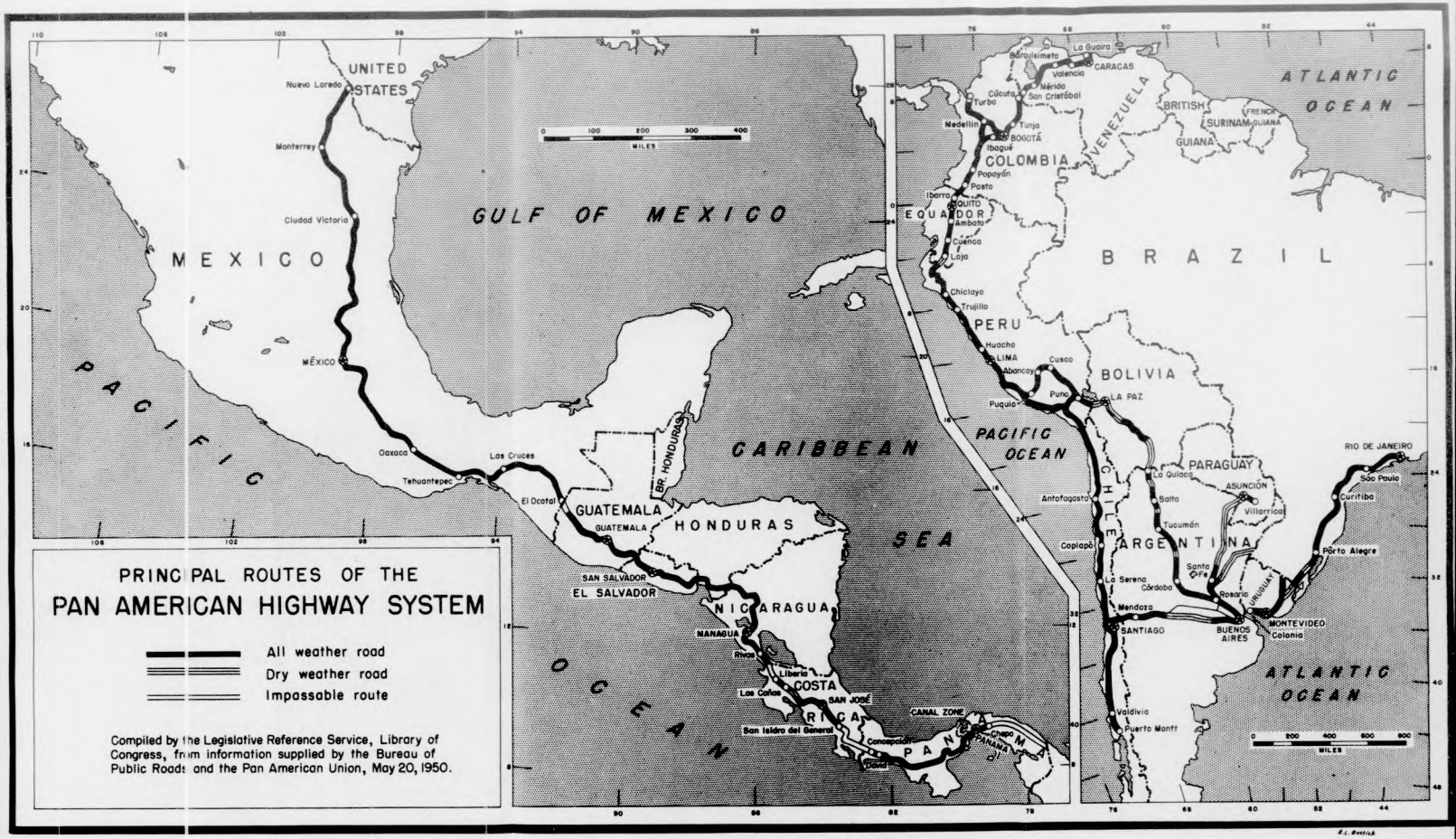
The proposed Pan American Highway encompasses 15,638 miles of road in most of the countries of Central and South America. Today it is open for 1,618 miles, from Laredo, Tex., to the Guatemalan border. When finished, it will be possible to travel by automobile from the United States to any point of importance in either of the major continental areas.

The northern part of the highway, that section between the Panama Canal and the United States, is commonly referred to as the Inter-American Highway. South of the Canal it is simply called the Pan American Highway.

The Inter-American segment is 3,223 miles long and all but 281 miles are passable in all kinds of weather; 42 of these 281 miles are passable in dry weather and 239 miles are altogether impassable.

The sections of the Pan American Highway below the Panama Canal extend 12,415 miles into most of the countries of South America. Of this mileage, 10,458 miles are passable in all weather. An additional 1,741 miles are passable in dry weather and 216 miles are completely impassable.

○


PRINCIPAL ROUTES OF THE
PAN AMERICAN HIGHWAY SYSTEM
All weather road
Dry weather road
Impassable route
Compiled by the Legislative Reference Service, Library of Congress, from information supplied by the Bureau of Public Roads and the Pan American Union, May 20, 1950.
UNITED STATES
MEXICO
GULF OF MEXICO
CARIBBEAN SEA
PACIFIC OCEAN
ATLANTIC OCEAN
COLOMBIA
VENEZUELA
ECUADOR
PERU
BRAZIL
BOLIVIA
PARAGUAY
CHILE
ARGENTINA
GUATEMALA
HONDURAS
BR. HONDURAS
EL SALVADOR
NICARAGUA
COSTA RICA
PANAMA
CANAL ZONE
Nuevo Laredo
Monterrey
Ciudad Victoria
MÉXICO
Oaxaca
Tehuantepec
Las Cruces
El Ocotal
GUATEMALA
SAN SALVADOR
MANAGUA
Rivas
Liberia
Las Cañas
SAN JOSÉ
San Isidro del General
David
Concepción
Chepo
PANAMA
CARACAS
La Guaira
Barquisimeto
Valencia
Mérida
San Cristóbal
Cúcuta
Turbo
Medellín
Tunja
BOGOTÁ
Ibagué
Popayán
Pasto
Ibarra
QUITO
Ambato
Cuenca
Loja
Chiclayo
Trujillo
Huacho
LIMA
Abancay
Cusco
Puno
Puquio
LA PAZ
Antofagasta
Copiapó
La Serena
Mendoza
SANTIAGO
Valdivia
Puerto Montt
La Quiaca
Salta
Tucumán
Córdoba
Santa Fe
Rosario
ASUNCIÓN
Villarrica
BUENOS AIRES
MONTEVIDEO
Colonia
URUGUAY
RIO DE JANEIRO
São Paulo
Curitiba
Porto Alegre
BRITISH GUIANA
SURINAM
FRENCH GUIANA
0 100 200 300 400
MILES
0 200 400 600 800
MILES

70606 O - 50

MSH 27977

END OF
TITLE